

[NAME OF PARISH]

**Bylaws
of
Parish Finance Council**

- A. **[NAME OF PARISH]** ("Parish") is a Roman Catholic parish under the ecclesiastical jurisdiction of the Archbishop of Portland in Oregon ("Archbishop").
- B. Under Canon Law:
- the Parish is a certain community of the faithful whose pastoral care is entrusted to a pastor appointed by the Archbishop ("Pastor"); and
 - the Parish is a separate juridic person with its own rights and obligations.
- C. Canon law requires that the Parish have a finance council to assist the Pastor in the administration of parish temporal matters.
- D. Under civil law, the Parish is separately incorporated as an Oregon religious nonprofit corporation. The governing documents of the Parish corporation designate the finance council as a standing committee advisory to the Pastor and the chair of the finance council as a director of the corporation *ex-officio*.
- E. The Parish has an established finance council and now wishes to adopt the following constitution for the finance council to enable it to operate more effectively.
- F. This Constitution is hereby adopted for the Parish finance council in accordance with Canon law and local norms of the Archbishop.

I. NAME

The name of the Parish finance council is the **[NAME OF PARISH]** Finance Council ("Finance Council").

II. NATURE AND PURPOSES

1. Under Canon Law, the Pastor represents the Parish in all juridic affairs and is responsible for ensuring that the goods of the parish are administered in accordance with Canon Law and civil law. The Finance Council is the principal *consultative* body for the business affairs of the parish. It assists and supports the Pastor in his stewardship of parish resources. The Parish Finance Council is a key element for promoting the financial health of a Parish, assuring accountability and assisting the pastor with his business/temporal responsibilities.
2. Key provisions of Canon law relevant to the role of a parish finance council and the obligations and responsibilities of the Pastor as financial administrator of the parish are included in these bylaws as Appendix A.

III. FINANCE COUNCIL MEMBERSHIP

1. The membership of the Finance Council is as follows:
 - Ex-officio. The Pastor and the Parochial Vicar are *ex-officio* members of the Finance Council.
 - Appointed. There will be least three (3) and no more that (9) appointed members on the Finance Council.
 - Resource persons. The Parish business manager/bookkeeper attends Finance Council meetings as deemed appropriate. Other staff, such as the school principal, religious education director, etc. may be invited to attend all or part of a meeting.
2. The following may serve as resource persons but may not serve as appointed members of the Finance Council: employees and immediate family of employees of the Parish (including the Parish school); relatives of the Pastor; relatives of the parochial vicar.
3. The membership of the Finance Council should reflect the diversity of the Parish to the extent feasible.

IV. QUALIFICATIONS

1. Members of the Finance Council must be practicing Catholic who are registered parishioners and contributors of time, talent and treasure to the Parish community.

2. Members of the Finance Council should be persons with business, management, finance, law, communications, education or other experience valuable in assisting the Pastor in administration of the Parish.

V. SELECTION OF FINANCE COUNCIL MEMBERS

1. Finance Council members will be appointed by the Pastor.
2. Appointment to and removal from the Finance Council is at the discretion of the Pastor.

[IF YOUR PARISH HAS A SPECIFIC PROCESS FOR APPOINTMENT OF FINANCE COUNCIL MEMBERS, YOU MAY STATE IT BELOW. SECTIONS 3 THROUGH 6 PROVIDE ONE EXAMPLE. IF YOUR PARISH USES ANOTHER PROCESS, YOU MAY DELETE OR REVISE THESE SECTIONS.]

3. Parishioners who are interested in becoming members of the Finance Council may notify the Pastor of their interest by submitting a *Potential Member Information Form* information form to the Pastor. Ordinarily, forms are submitted in [MONTH] of each year. The Pastor may request an interview with interested persons.
4. The Finance Council may also recommend parishioners for service on the Finance Council. Those interested will be asked to submit the *Potential Member Information Form*. The Pastor may request an interview with interested persons.
5. The qualifications of individual parishioners, along with the need for diversity and representation from among various demographics of the parish (such as age, gender, and cultural and economic background), may be considered in making appointments to the Finance Council.
6. Ordinarily, the Pastor appoints members to the Finance Council in [MONTH].

VI. MEETINGS

1. The Finance Council will meet as frequently as it determines is necessary, but not less than quarterly. Typically, meetings are held [MONTHLY OR].
2. The Pastor must be present at all meetings. If the Pastor is not present at a meeting, those present may discuss matters before the

Finance Council, but may not make any decisions or formal recommendations to the Pastor.

3. A quorum (simple majority) of all appointed board members must be present for the official conduct of Finance Council business.
4. Ordinarily Finance Council meetings are not open to the parish community. However, the Finance Council may designate certain meetings or provide time on the agenda of meeting(s) for parishioner input.
5. As appropriate, communication with the parish on matters within the purview of the Finance Council should occur at the onset of studying a major issue to solicit needs and concerns, gifts and resources of the parish community. The Finance Council should advise the Pastor on the best ways to keep the parish informed and involved in key issues and decisions facing the parish.
6. Minutes of all Finance Council meetings will be taken by the Secretary. In addition to recording the date and place of the meeting and who was present, the minutes should provide a summary of the discussion on each agenda item and the outcome (i.e., consensus reached, recommendation made or other action taken). The minutes of a meeting should be reviewed and approved before business is conducted at a subsequent meeting. Upon approval, the minutes are archived as part of Parish records.
7. The Finance Council's agenda and minutes are available to any parishioner for review upon request to the parish office, with the following exception. At the discretion of the Pastor, the minutes of a meeting of the Finance Council at which sensitive personnel or other issues were discussed may be withheld from review by the parish community at large.
8. All final decisions are the responsibility and prerogative of the Pastor. However, to the extent possible, the Finance Council and the Pastor should strive to arrive at decisions by consensus, i.e., by coming to a common understanding of a position and agreeing to the best way to proceed.
9. A Finance Council member should disclose any conflict of interest or potential conflict of interest and disqualify himself/herself from discussion and voting on the matter at issue. The member may have a conflict of interest, for example, when he/she or a family member stands to benefit personally from a matter being discussed. A conflict of interest may also arise when a Finance Council member is involved

in another nonprofit entity or a business to which the outcome of the matter may be significant.

VII. SERVICE TERMS

1. Finance Council members, other than *ex-officio* members, serve terms of [NUMBER] years and may be reappointed for no more than two (2) consecutive terms.
2. Members are expected to attend each meeting of the Finance Council. A member whose attendance record indicates frequent and/or unexcused absences may be requested to resign or removed from the Finance Council.
3. In the case of death, dismissal, resignation or permanent disability of one or more members of the council, the Pastor will appoint replacements as soon as possible. Members thus appointed remain in office to the end of the original member's term.

VIII. OFFICERS

1. The Finance Council will select annually from among its members a Chair, Vice-chair and Secretary, each to serve a one year term.
2. The Chair or Vice-Chair, whichever the Finance Council designates each year, serves as a representative on the Parish Pastoral Council for one (1) year.
3. The Chair of the Finance Council serves *ex-officio* as a director of the Parish religious nonprofit corporation, [PROPER CORPORATE TITLE OF PARISH], as set forth in the bylaws of the corporation.

IX. RESPONSIBILITIES OF FINANCE COUNCIL

1. As set forth in Article II above, the Finance Council is advisory to the Pastor as to business matters of the parish. The Finance Council provides advice, guidance and recommendations to the Pastor for management of the Parish in matters which may include, but are not limited to:
 - Preparation of an annual budget of income and expenses. The proposed budget is shared with the parish Pastoral Council and Stewardship Committee.

- Development of a three-to-five year long-range financial planning document that is reviewed and revised annually, in accordance with Parish pastoral priorities.
- Preparation of the annual financial report of revenues and expenses published to the entire parish community in accordance with canon 1287. (This annual report to the parish community may include information in addition to financial information (e.g. description of key issues, programs and events, statistics related to church attendance, sacraments, school and religious education matters, etc.)
- More frequent communication, as appropriate, to update parishioners on the parish's financial condition and keep them informed of its priorities, needs, and progress on previously announced initiatives.
- Reviewing any indebtedness of the parish and assisting the pastor in fulfilling his obligations to ensure that debt repayment obligations are fulfilled.
- Reviewing monthly financial statements to ensure the parish's ongoing ability to meet its financial obligations.
- On an ongoing basis, studying parish revenues and making recommendations for increasing revenue to meet parish obligations and goals; studying expenses and making recommendations to minimize expenses when possible.
- Review annual budgets of parish ministries (e.g., School, Faith Formation, etc.) and make recommendations as needed.
- Encourage and support parish and diocesan stewardship programs.
- Evaluate the effectiveness of existing fund-raising programs and recommend new programs or changes to existing programs if revenues are insufficient.
- Advise on general administration of the parish, as requested by the Pastor.
- Review financial controls to ensure compliance with diocesan finance policies and procedures and other sound accounting practices.

2. The Finance Council should have access to the records and documents necessary for the effective fulfillment of its responsibilities.
3. The Pastor should ensure that Finance Council members have knowledge of diocesan policies and best practices regarding the financial and other business matters within its purview and provide appropriate background and enrichment so that Finance Council members are able to carry out their duties effectively.
4. A Finance Council member shall maintain confidentiality of all sensitive financial, administrative or other information acquired in virtue of his/her service on the Finance Council.

These bylaws are hereby adopted for Finance Council of **[NAME OF PARISH]**, effective *[MONTH AND DAY BYLAWS ARE ADOPTED]*, 2014.

Pastor

_____ Rev. _____	_____ Date _____	_____
Pastor		

Finance Council

_____ [Name]	_____ Date _____	_____
-----------------	---------------------	-------

_____ [Name]	_____ Date _____	_____
-----------------	---------------------	-------

_____ [Name]	_____ Date _____	_____
-----------------	---------------------	-------

_____ [Name]	_____ Date _____	_____
-----------------	---------------------	-------

_____ [Name]	_____ Date _____	_____
-----------------	---------------------	-------

_____ [Name]	_____ Date _____	_____
-----------------	---------------------	-------

_____ [Name]	_____ Date _____	_____
-----------------	---------------------	-------

_____ [Name]	_____ Date _____	_____
-----------------	---------------------	-------

KEY CANONS FOR A PARISH FINANCE COUNCIL

Canon 532. In all juridic affairs the pastor represents the parish according to the norm of law. He is to take care that the goods of the parish are administered according to the norm of cann. 1281-1288.

Canon 537. In each parish there is to be a finance council which is governed, in addition to universal law, by norms issued by the diocesan bishop and in which the Christian faithful, selected according to these same norms, are to assist the pastor in the administration of the goods of the parish, without prejudice to the prescript of can. 532.

Canon 1281. §1. Without prejudice to the prescripts of the statutes, administrators invalidly place acts which exceed the limits and manner of ordinary administration unless they have first obtained a written faculty from the ordinary.

§2. The statutes are to define the acts which exceed the limit and manner of ordinary administration; if the statutes are silent in this regard, however, the diocesan bishop is competent to determine such acts for the persons subject to him, after having heard the finance council.

§3. Unless and to the extent that it is to its own advantage, a juridic person is not bound to answer for acts invalidly placed by its administrators. A juridic person itself, however, will answer for acts illegitimately but validly placed by its administrators, without prejudice to its right of action or recourse against the administrators who have damaged it.

Canon 1282. All clerics or lay persons who take part in the administration of ecclesiastical goods by a legitimate title are bound to fulfill their functions in the name of the Church according to the norm of law.

Canon 1283. Before administrators begin their function:

1. they must take an oath before the ordinary or his delegate that they will administer well and faithfully;
2. they are to prepare and sign an accurate and clear inventory of immovable property, movable objects, whether precious or of some cultural value, or other goods, with their description and appraisal; any inventory already done is to be reviewed;
3. one copy of this inventory is to be preserved in the archive of the administration and another in the archive of the curia; any change which the patrimony happens to undergo is to be noted in each copy.

Canon 1284. §1. All administrators are bound to fulfill their function with the diligence of a good householder.

§2. Consequently they must:

1. exercise vigilance so that the goods entrusted to their care are in no way lost or damaged, taking out insurance policies for this purpose insofar as necessary;
2. take care that the ownership of ecclesiastical goods is protected by civilly valid methods;

3. observe the prescripts of both canon and civil law or those imposed by a founder, a donor, or legitimate authority, and especially be on guard so that no damage comes to the Church from the non-observance of civil laws;
4. collect the return of goods and the income accurately and on time, protect what is collected, and use them according to the intention of the founder or legitimate norms;
5. pay at the stated time the interest due on a loan or mortgage and take care that the capital debt itself is repaid in a timely manner;
6. with the consent of the ordinary, invest the money which is left over after expenses and can be usefully set aside for the purposes of the juridic person;
7. keep well organized books of receipts and expenditures;
8. draw up a report of the administration at the end of each year;
9. organize correctly and protect in a suitable and proper archive the documents and records on which the property rights of the Church or the institute are based, and deposit authentic copies of them in the archive of the curia when it can be done conveniently.

§3. It is strongly recommended that administrators prepare budgets of incomes and expenditures each year; it is left to particular law, however, to require them and to determine more precisely the ways in which they are to be presented.

Canon 1285. Within the limits of ordinary administration only, administrators are permitted to make donations for purposes of piety or Christian charity from movable goods which do not belong to the stable patrimony.

Canon 1286. Administrators of goods:

1. in the employment of workers are to observe meticulously also the civil laws concerning labor and social policy, according to the principles handed on by the Church;
2. are to pay a just and decent wage to employees so that they are able to provide fittingly for their own needs and those of their dependents.

Canon 1287. §1. Both clerical and lay administrators of any ecclesiastical goods whatever which have not been legitimately exempted from the power of governance of the diocesan bishop are bound by their office to present an annual report to the local ordinary who is to present it for examination by the finance council; any contrary custom is reprobated.

§2. According to norms to be determined by particular law, administrators are to render an account to the faithful concerning the goods offered by the faithful to the Church.

Canon 1288. Administrators are neither to initiate nor to contest litigation in a civil forum in the name of a public juridic person unless they have obtained the written permission of their own ordinary.

For easy reference to other canons, the *Code of Canon Law* is posted on the website of the Holy See at: www.vatican.va/archive/ENG1104/_INDEX.HTM (or just Google “Code of Canon Law”).