

## **ADVISORS: PASTORAL COUNCIL, FINANCE COUNCIL, TRUSTEES**

### **PASTORAL COUNCIL**

**INTRODUCTION:** Every parish is to have a Parish Pastoral Council composed of parish leaders who serve as an advisory group to the Pastor/Parish Life Coordinator for the pastoral care of the faith community.

#### **IMPLEMENTATION OF POLICY:**

*Mandated:*

1. The Pastor/Parish Life Coordinator or the canonical administrator is ultimately responsible for the parish.
2. The role of the council is to assist the Pastor/Parish Life Coordinator in fostering activities in the faith community it serves.
3. Each council is governed by a written constitution approved by the Bishop.
4. The Parish Pastoral Council can only be dissolved by the Bishop.
5. When a change of pastor occurs, the Parish Pastoral Council ceases upon the departure of the previous pastor.
6. The incoming Pastor/Parish Life Coordinator is to establish a new Parish Pastoral Council within six months.
7. Parish Pastoral Councils are to meet at least quarterly.
8. Refer to the Policy Manual for Parish Councils for further information.

### **FINANCE COUNCIL**

**INTRODUCTION:** Every Parish is obligated to have a Finance Council (Canon 1280).

#### **IMPLEMENTATION OF POLICY:**

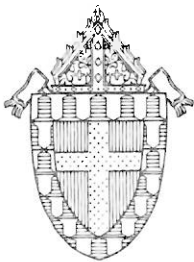
*Mandated:*

1. The Finance Council must be established to assist the Pastor/Parish Life Coordinator or the canonical administrator in the area of fiscal responsibilities of the parish.

2. The structure of the Finance Council is left up to the discretion of the Pastor/Parish Life Coordinator, but should include the two appointed parish trustees.
  3. The Finance Council should make periodic reports to the pastoral council.
- 

Approved +Michael Janell

Date August 15, 2006



OFFICE OF THE BISHOP

## DIocese OF LAFAYETTE

1408 CARMEL DRIVE

LAFAYETTE, LOUISIANA 70501-5215

TELEPHONE: 337-261-5614 FAX: 337-261-5603

### TRUSTEES

|1

**INTRODUCTION:** Two lay (2) Trustees for each parish are appointed by the Bishop, upon the recommendation of the Pastor/Parochial Administrator. Trustees assist the Pastor and the parish in its corporate existence in the civil forum (canon 22) in addition to other duties as may be required by Diocesan Policy (particular law). Trustees serve as members of the corporate Board of Directors of the parish corporation along with the Bishop (President), the Vicar General (Vice-President), and Pastor or Parish Administrator (Secretary-Treasurer).

#### IMPLEMENTATION OF POLICY:

##### Mandated:

1. Trustees must be exemplary, fully-initiated Catholics in full communion with the Roman Catholic Church, parishioner of the parish—preferably for three (3) years prior to recommendation.
2. Trustees must be twenty-one (21) years old and United States citizens (or have permanent residency).
3. Trustees may not be employees of the same parish in which they serve or immediate family members of employees of the parish.
4. Trustees may not have a conflict of interest.
  - a. Typically, a conflict of interest relates to situations in which the personal interest of a Trustee might adversely affect the duty of the Trustee for making decisions or giving advice for the benefit of the parish.
  - b. If a conflict of interest develops after a person has been appointed as Trustee, the Trustee is obliged to report the conflict of interest to the Pastor who is to then request a change of Trustee. If there is a doubt about whether a conflict of interest exists, the Vicar General is to be contacted for clarification.
5. Trustees are to be truly knowledgeable in business matters and the life of the parish.
6. Trustees are expected to regularly attend Pastoral Advisory Board (canon 511-514) and Finance Council (canon 537) meetings.
7. Certain acts of parish administration require the participation, signature or vote of Trustees (e.g. Corporate Resolutions) as members the Corporate Board of Directors.

## TRUSTEES

|2

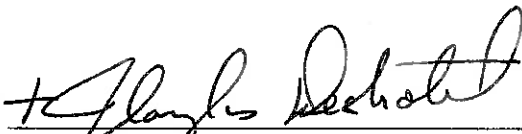
INTRODUCTION: Two lay (2) Trustees for each parish are appointed by the Bishop, upon the recommendation of the Pastor/Parochial Administrator. Trustees assist the Pastor and the parish in its corporate existence in the civil forum (canon 22) in addition to other duties as may be required by Diocesan Policy (particular law). Trustees serve as members of the corporate Board of Directors of the parish corporation along with the Bishop (President), the Vicar General (Vice-President), and Pastor or Parish Administrator (Secretary-Treasurer).

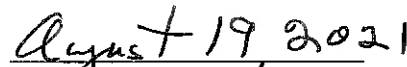
### IMPLEMENTATION OF POLICY:


#### Mandated: Continues

8. Trustees may not initiate or respond to legal matters in the name of the parish without the written permission of all parish corporate officers, including the Bishop.
9. Trustees may be called upon to be consultants to an incoming Pastor/Administrator prior to the establishment of a new Pastoral Council.
10. Trustees are appointed for a three (3) year term beginning in September. The Pastor/Administrator will receive a letter from the Chancery prior to the expiration of the Trustees' terms of office, seeking recommendations to the Bishop of candidates for the next three year (3) term.
11. There is no limit to the number of terms a Trustee may serve.
12. In the event that a Trustee is unable to complete a term of office, or if the Pastor wishes to replace a Trustee prior to the expiration of the Trustee's term of office, the Pastor/Administrator is to write to the Bishop requesting the change and explaining his reasons for requesting a change of Trustee. A replacement Trustee completes the term of office of the replaced Trustee.

This policy is effective immediately and replaces the former policy regarding Trustees in their entirety.

  
Approved and Promulgated

  
Date

  
Mrs. Maureen K. Fontenot, PHR, SHRM-CP  
Chancellor



## **NORMS FOR PARISH FINANCE COUNCILS**

**INTRODUCTION: 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 Canon 532.

### **Nature and Establishment**

1. A Parish Finance Council must be established to assist the Pastor/Parish Life Coordinator or the canonical administrator in the area of fiscal responsibility. It is advisory and consultative to the Pastor and is to be directly responsible to him.
2. The Parish Finance Council is to be a separate entity from the Parish Pastoral Council, but is to work in collaboration with it.

### **Membership**

1. The Parish Trustees are ex-officio, voting members of the Parish Finance Council. Additional members of the Parish Finance Council shall be appointed by the Pastor, and they must be Catholics in good standing and participating members of the Parish. The appointed members are to be truly skilled in financial affairs and outstanding in integrity and prudence.
2. The Parish Finance Council shall be composed of no fewer than three Parishioners, two of whom must be the Trustees appointed by the Bishop, and all of their names are to be communicated to the Parishioners at least annually.
3. Members shall serve for three years and may be appointed to other three year terms. A member may only be removed from the council prior to expiration of his/her term by the Pastor.
4. If a member resigns, dies, or is removed, the Pastor may appoint another person to complete the balance of the term. However, if the membership falls below three, the Pastor must appoint a member to complete the unexpired term.
5. The Parish Business Manager/Accountant/Bookkeeper shall not be a member of the Parish Finance Council; however, his/her attendance at Council meetings may be helpful and at times required.
6. Members may not be closely related to each other (e.g., husband and wife), nor to the Pastor, nor to any employee of the Parish.
7. A Parish may have difficulty obtaining necessary Council expertise by excluding persons with any form of conflict of interest due to a limited number of Parishioners

or for other reasons. Should a conflict of interest exist or develop, the conflict should immediately be disclosed to the Pastor, and the person with conflicts of interest must excuse himself/herself from any discussion/commitment involving the matters causing the conflict.

8. Confidentiality and discretion must be maintained in all matters considered by the Council.
9. Within three months of taking possession of the Parish, a new Pastor is to either confirm the previous appointments or make new appointments to the Parish Finance Council.

### Officers

1. The Pastor will preside over all meetings of the Parish Finance Council, and according to Canon 532, represents the Parish in all financial matters.
2. A Chairperson may be appointed for a term of one year to assist in coordinating the work of the Council.
3. The Parish Finance Council must appoint a Secretary to record written minutes summarizing the items discussed and advice rendered. These minutes must be retained permanently at the Parish and their protection guarded. The Pastor should also keep all relevant materials reviewed during the meeting for future reference.

### Meetings

1. Meetings of the Council are called by the Pastor, and the Council may not meet without the Pastor present or his expressed consent.
2. The Council should meet as frequently as needed but at least quarterly.
3. All Priests and Deacons assigned to the Parish should be invited to all meetings and encouraged to attend.
4. A simple majority of the appointed members constitutes a quorum. On matters requiring the approval of the Bishop, consultation of the Finance Council must occur in the presence of a quorum and noted in the minutes of the meeting therefore, an odd number of members appointed to the Council is recommended. Members are expected to abstain from participating on any question on which they may have a potential conflict of interest because of business or professional relationships.

### Functions

1. Parish Finance Councils assist the Pastor as needed in fulfilling the following responsibilities:

## General Functions

1. Assure that an annual operating and capital budget is properly prepared by June 1<sup>st</sup> of each year in accordance with Parish goals;
2. Review financial reports sent to the Diocese and discuss actual results as compared to budget, and at least annually, verify the cash balances of all Parish and organization bank accounts;
3. Formulate the annual financial report, with sufficient detail, made to the Parish community by way of the Parish bulletin or otherwise presented by September 30<sup>th</sup> of each year;
4. Ensure that all Parish financial information and payments are sent to the Diocese in the manner and time required and that the Parish Financial Control Policy established by the Diocese is being followed;
5. Encourage support of diocesan fund-raising projects as well as Parish campaigns;
6. Conduct an annual inventory of Parish assets. When a change of Pastor or Parish Administrator occurs, the council should assist the new Pastor or Administrator in the preparation of an inventory of Parish assets in accordance with Canon 1283, §2;
7. Exercise appropriate measures to safeguard the assets of the Parish from loss or damage and verify that insurance coverage has been obtained through the diocese for all assets;
8. Review the Parish financial risk assessment or audit reports as issued by the Diocesan Finance Office or independent accountants; acknowledge the report; and provide Pastor assistance in implementing any recommendations contained therein.

## Special Functions regarding extraordinary administration

1. Any expenditure or an aggregate of expenditures that exceeds \$20,000 or is in excess of 10% of a Parish's annual assessable income requires that the Pastor consult with the Parish Finance Council in order to perform what are called "extraordinary acts of administration."
2. Due to the extraordinary nature of these acts, the written approval of the Bishop is required prior to making or even committing to the expenditure, which includes:
  - Repairs, renovations and new construction of Parish owned structures (A project cannot be broken down to smaller components to avoid this requirement.);
  - Incurring indebtedness that exceeds this amount (including leases of copiers, portable buildings, etc., where the sum of the monthly payments over the life of the lease exceeds this amount).

**Other special functions that require the consultation of the Parish Finance Council and the Bishop's authorization and that may require a corporate resolution:**

- Any purchase or sale exceeding \$20,000 or 10% of a Parish's assessable income;
- Any transaction or contract which can worsen the patrimonial (financial) condition of a parish by \$20,000 or in excess of 10% of the Parish's assessable income
- Use of fixed capital for any reason beyond that to which it was initially dedicated by the donor or competent authority;
- Initiating or responding to lawsuits;
- Purchase or sale of real property (real estate) for any amount;
- Borrowing of money for any amount;
- Rental/lease of Parish-owned property in any amount other than for single special occasions (and longer than three months), including oil or mineral leases or easements;
- Investing money or selling stocks, bonds, mutual funds, or any other financial instrument;
- Acceptance of a restricted gift in any amount. This is to ensure the restriction imposed by the donor can be sufficiently satisfied and does not negatively impact the Parish or Diocese;
- Establishing of endowments, foundations and/or trusts;
- Bank accounts of any kind and for any amount outside of the single operating (checking) account required for each Parish, Mass stipend accounts, charitable gaming accounts as required, and organization accounts as allowed by policy;
- Unusual transactions which are not normally conducted by parishes (e.g. parish engaging in secular business).

**Other Potential Functions.**

1. Depending on local circumstances, staffing, and needs, the Pastor may find it helpful to use the Finance Council as a body or its members individually to provide assistance in certain facets of the business operations of the Parish. This is particularly true for Parishes with extremely limited staffs where the segregation of duties is not possible. Other areas where involvement may be sought out include:

- Review unpaid bills for payment, including diocesan and school assessments, and formulate a plan providing for the payment of any past due obligations;
- Examine bank reconciliations and supporting documentation for all accounts;
- Examine the financial reports from all Parish organizations, including verifying that bank statements are being reviewed by the Parish administration before being given to the organization's bookkeeper for reconciliation;
- Assure compliance with all federal, state, and local filing requirements for payroll;
- Establish and maintain employee job descriptions, a performance evaluation and other personnel policy and benefit matters;



**Other special functions that require the consultation of the Parish Finance Council and the Bishop's authorization and that may require a corporate resolution:**

- Any purchase or sale exceeding \$20,000 or 10% of a Parish's assessable income;
- Any transaction or contract which can worsen the patrimonial (financial) condition of a parish by \$20,000 or in excess of 10% of the Parish's assessable income
- Use of fixed capital for any reason beyond that to which it was initially dedicated by the donor or competent authority;
- Initiating or responding to lawsuits;
- Purchase or sale of real property (real estate) for any amount;
- Borrowing of money for any amount;
- Rental/lease of Parish-owned property in any amount other than for single special occasions (and longer than three months), including oil or mineral leases or easements;
- Investing money or selling stocks, bonds, mutual funds, or any other financial instrument;
- Acceptance of a restricted gift in any amount. This is to ensure the restriction imposed by the donor can be sufficiently satisfied and does not negatively impact the Parish or Diocese;
- Establishing of endowments, foundations and/or trusts;
- Bank accounts of any kind and for any amount outside of the single operating (checking) account required for each Parish, Mass stipend accounts, charitable gaming accounts as required, and organization accounts as allowed by policy;
- Unusual transactions which are not normally conducted by parishes (e.g. parish engaging in secular business).

**Other Potential Functions.**

1. Depending on local circumstances, staffing, and needs, the Pastor may find it helpful to use the Finance Council as a body or its members individually to provide assistance in certain facets of the business operations of the Parish. This is particularly true for Parishes with extremely limited staffs where the segregation of duties is not possible. Other areas where involvement may be sought out include:
  - Review unpaid bills for payment, including diocesan and school assessments, and formulate a plan providing for the payment of any past due obligations;
  - Examine bank reconciliations and supporting documentation for all accounts;
  - Examine the financial reports from all Parish organizations, including verifying that bank statements are being reviewed by the Parish administration before being given to the organization's bookkeeper for reconciliation;
  - Assure compliance with all federal, state, and local filing requirements for payroll;
  - Establish and maintain employee job descriptions, a performance evaluation and other personnel policy and benefit matters;

- Aid the Pastor in forming a building and grounds maintenance program and a plan for financing and repayment of any necessary repairs, renovations, equipment purchases, or safety measures;
- Provide assurance that the Parish is in compliance with any federal, state, or local governmental regulations and any filing, licensing, posting, or reporting requirements related thereto.

#### **Accountability to the Diocesan Bishop**

1. The Pastor will provide an annual report on the Parish Finance Council to the Bishop. This annual report is to be submitted no later than September 30 for the fiscal year ended June 30 (Canon 1284 §2, 8°; Canon 1287 §§1-2). This report is to be submitted completing the attached prescribed form that includes the following:
  - The names and profession/occupation of the members of the Parish Finance Council;
  - The dates on which the Council met during the preceding fiscal year and since the end of the fiscal year;
  - The date on which the Annual Budget was approved by the Parish Finance Council;
  - The date on which the annual financial report was made available to the Parish, accompanied by a copy of the report that was presented to them;
  - A statement signed by the Pastor that the finance council members met, developed, and discussed the financial statements and budget of the Parish and, as applicable, the auditor's report.

#### **Other**

##### Relationship and Communication with Parish Pastoral Council

1. Recognizing that the Parish Finance Council and the Parish Pastoral Council are distinct consultative bodies within the Parish, good communication between the two is important for the well being of the Parish. This may be achieved by appointing a member of the Parish Finance Council to report to the Parish Pastoral Council on a regular basis, but no less often than annually; and, to the Parish staff or other Parish groups as may be needed. Alternatively, some Parishes may have a Parish Pastoral Council member attend Parish Finance Council meetings and keep the Parish Pastoral Council informed of the Parish Finance Council's work.

##### Relationship with Other Parish Institutions or Organizations

1. The Parish school, cemetery, and any organization that uses the Parish Federal Tax Identification Number, uses the Parish name, or raises funds in the name of the Parish or school are subject to the fiscal control of the Pastor. The leadership of each such institution or organization is expected to submit reports of its financial activities to the Pastor and Finance Council.

Any group or organization that receives financial support from the Parish must provide relevant information and participate in the budgeting process of the Parish as determined by the Pastor and Finance Council.

Approved + Michael Jarreau

Date October 15, 2011

## PARISH FINANCE COUNCIL ANNUAL REPORT

Fiscal Year Ended June 30, \_\_\_\_\_

Parish Name: \_\_\_\_\_

Parish City: \_\_\_\_\_

This prescribed annual reporting form is completed and submitted to the Bishop of Lafayette in accordance with the *Norms for Parish Finance Councils*.

Name and Profession/Occupation of the Appointed Parish Finance Council Members are as follows:

	NAME	PROFESSION/OCCUPATION
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____
6.	_____	_____
7.	_____	_____

The Parish Finance Council met on the following dates:

- 1.
- 2.
- 3.
- 4.

Is there an Annual Budget of the Parish:      Yes              No

The Annual Budget of the Parish was approved on \_\_\_\_\_.

The Annual Financial Report (included herein) was published and made available to the Parish  
on \_\_\_\_\_.

**Pastor and Finance Council Attestation:**

I, the Pastor of the Parish, as chief administrator and legal representative of the Parish's temporal goods and we, the appointed members of the Parish Finance Council, hereby certify that we have met, reviewed, and discussed the Parish's interim and fiscal year end financial statements, the annual budget, and when applicable, the auditor's report.

**Printed Names of Appointed Members****Signatures of Appointed Members**

1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____
6.	_____	_____
7.	_____	_____

I, the Pastor, further certify that the following is true and correct to the best of our knowledge:

- All financial transactions have been recorded in the accounting records underlying the financial statements.
- All Parish and organization income and expenses have been reported.
- No checking, savings, stock or investment accounts exist other than what is reflected on the Parish financial statements.
- No loans or other indebtedness exist other than those which are reflected on the Parish financial statements.
- There have been no communications from regulatory agencies (e.g., Diocese of Lafayette, Internal Revenue Service, etc.) concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statements.
- The Parish Finance Council has been consulted regarding all expenditures or an aggregate of expenditures that exceeds \$20,000 or is in excess of 10% of the Parish's annual assessable income, and the written approval of the Bishop was received prior to the Parish making or committing to the expenditures.

\_\_\_\_ *There are exceptions to the above that are documented and accompany this Report.*

**Printed Name of Pastor/Administrator****Signature of Pastor/Administrator**

\_\_\_\_\_

\_\_\_\_\_

**Dated:** \_\_\_\_\_

**PARISH FINANCE COUNCIL ANNUAL REPORT**

**EXCEPTIONS TO ATTESTATION**

**Printed Names of Appointed Members**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_

**Signatures of Appointed Members**

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

**Printed Name of Pastor/Administrator**

\_\_\_\_\_

**Signature of Pastor/Administrator**

\_\_\_\_\_

Dated: \_\_\_\_\_