

## §2000 THE PARISH FINANCE COUNCIL

*The following section explains the purpose, selection, and responsibilities of the Parish Finance Council.*

*In the administration of the temporalities of the parish, Canon 532 defines the role of the Pastor/Parochial Administrator as the juridic representative of the parish. Canon 537 introduces the element of a Parish Finance Council as a mandated body having an advisory and consultative role on behalf of the Pastor/Parochial Administrator.*

### §2001 COUNCIL REQUIREMENT

**2001.1. Policy** Every parish shall be required, both by adherence to the Code of Canon Law and Diocesan policy, to have a Finance Council<sup>1</sup>. An existing structure within the parish may serve this role provided it is able to meet the requirements and execute the responsibilities noted below.

**2001.2. Policy** Every parish Finance Council shall meet at least quarterly and minutes of all the parish Finance Council meetings shall be recorded.

#### ***Procedure***

All meetings of each parish Finance Council must be recorded with synopsis minutes. The minutes of each previous meeting must be approved at the next Finance Council meeting and signed by the Pastor/Parochial Administrator. All Finance Council meeting minutes must be maintained, along with the Parish Annual Report as mandated in policy §2003.1(3) below and made available during periodic audits by the Diocesan Office for Finance.

### §2002 MEMBERSHIP REQUIREMENTS

#### §2002.1. Christian Faithful

**2002.1. Policy** A majority of the Parish Finance Council's members shall be of the "Christian Faithful" in the language of the Code, which can be extended to include a member who is part of a mixed religion family and within the above definition by his or her participation and commitment within the parish community.

#### ***Procedure***

The "Christian Faithful" are those who have been baptized in the Catholic Church (c. 204), and who remain in communion with the Catholic Church (c. 149) and are not barred by a legitimate sanction (c. 96).

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<sup>1</sup>See Canon 537.

**§2002.2. Appointment by Pastor/Parochial Administrator**

**2002.2. Policy** Members shall be appointed by the Pastor/Parochial Administrator for three-year terms and may be re-appointed; but may only serve for two consecutive terms. A Member's appointment may be terminated by the Pastor/Parochial Administrator.

***Procedures***

Members of the Finance Council should be chosen based on demonstrable skills or expertise in management and/or financial issues and reflect the diversity of the parish community.

**§2002.3. Drawn from the Community**

**2002.3. Policy** Members shall be chosen from the parish community. This requirement can be waived in the event of special expertise if all other conditions of membership are met. The composition of the Parish Finance Council's membership shall endeavor to reflect the ethnic and gender composition of the parish.

***Procedures***

- a) Members of the Finance Council should be chosen based on demonstrable skills or expertise in management and/or financial issues and reflect the diversity of the parish community.
- b) One member shall be selected from the Parish Pastoral Council.
- c) The Pastor/Parochial Administrator may invite an Associate Pastor from within the Pastorate, the Parish Director of Operations (or his/her designate), or a person from another finance council of another parish in the pastorate to attend a meeting as a non-voting participant.

**§2002.4. Number of Members**

**2002.4. Policy** Membership shall consist of no less than three members and no more than nine members, not counting the Pastor, Director of Operations or any other ex-officio or non-voting guest members. The number of appointed members should always be an odd number.

***Procedure***

Excluded from appointed membership on the Parish Financial Council is the Pastor/Parochial Administrator or those related to them, as well as parish employees or members of their immediate family.

**§2002.5. Appointment of Chair and Secretary**

**2002.5. Policy** The Pastor/Parochial Administrator shall appoint two individual Financial Council members as Chair and Secretary. Each appointment shall be for one year; and appointments are limited to two consecutive terms.

***Procedure***

- a) The duties of the Chair of the Parish Finance Council shall be to coordinate, with the Pastor/Parochial Administrator, the activities of the Parish Finance Council and its Committees; and plan the meetings of the Parish Finance Council.
- b) The Secretary of the Parish Finance Council shall maintain the acts of all Finance Council meetings. Council meetings must be recorded with synopsis minutes. Audio and/or video recording of meetings are not required to be retained after the synopsis minutes are approved. The minutes of each previous meeting must be approved at the next Parish Finance Council meeting and signed by the Pastor/Parochial Administrator. All original Parish Finance Council meeting minutes must be maintained in the parish archives and be made available for Diocesan audits.

**§2002.6. Conflict of Interest**

**2002.6. Policy** Members of the Finance Council may serve in other volunteer service roles in the parish, provided such dual service will not create a conflict of interest. Members shall not be related to the Pastor/Parochial Administrator. The role of the Finance Council shall not be weakened or impaired.

***Procedure***

- a) No parish employee or member of the immediate family of a parish employee may serve on the Parish Finance Council
- b) All voting members of the Parish Council must sign a Conflict-of-Interest Policy acknowledgement (provided by the Diocesan Finance Office) for each year of service on the Council and they must declare in writing where they may have a conflict of interest.

**§2003 CONSULTATION BY PASTOR/PAROCHIAL ADMINISTRATOR**

**2003.1. Policy** The Pastor/Parochial Administrator shall consult with the Finance Council on the following matters, although he remains the juridic authority for final decision;

- (1) Any commitment of parish resources in excess of parameters established by the Diocesan Finance Office (published on the Diocesan website),
- (2) The management of all funds which the parish is authorized to retain and manage,
- (3) At the minimum, review of the Annual Budget and Annual Parish Report before submission to the Diocesan Office for Finance. To the extent practical, he shall be involved in the preparation of both reports, particularly the Budget report,
- (4) The Finance Council shall provide assistance and review in the formulation of the Parish Report to the parish community, as required by Canon 1287.

***Commentary***

Other responsibilities may include:

- *Review monthly/quarterly financial reports and their adherence to the budget and determine large variances.*
- *Coordinate all fundraising activities.*
- *Fiscal management (i.e., purchasing, and operating expenditures, and personnel).*
- *Facilities management (i.e., preventive maintenance, complying with inspection reports and capital expenditures).*
- *Maintain and monitor an adequate system of internal financial controls (i.e., maintaining written policies, reviewing job responsibilities for non-teaching employees, reviewing bank reconciliations, having the pastor/parochial administrator as signatory on all bank accounts).*
- *Advise on qualifications of bookkeeper/accountant.*
- *To meet all requirements of federal and state tax laws and maintain an accurate record of payment.*
- *To safeguard the assets of the parish and parish's properties (i.e., school, cemetery, etc.) from loss or damage through cooperation and consultation with the Director of Operations of each Pastorate.*
- *To implement all diocesan policies relative to financial matters.*
- *Long-range administration planning.*
- *To assist with the recording of capital expenditures and depreciation expense adjustments.*

**§2003.2. Fiscal responsibly for all Parish and Parish related entities and organizations**

**2003.2. Policy** The Pastor/Parochial Administrator shall have access to, control of and be signature on all financial matters related to all entities of the parish, which includes but is not limited to schools, cemeteries, Scout Troops, Altar/Rosary Societies, Booster Clubs, etc.