Catholic Diocese of Biloxi
Finance Council Statutes

As revised in March 2019

Purpose:

In accordance with the Code of Canon Law of the Roman Catholic Church, Canon 492 requires that the Bishop establish a Finance Council of the Christian Faithful who are experienced in finance, civil law and general business matters and who are persons outstanding in integrity. The Diocesan Finance Council is to provide assistance and guidance to the Bishop of Biloxi in the administration of the temporal goods of the Diocese of Biloxi.

Responsibilities:

The Finance Council prepares each year, according to the directions of the Bishop, a budget of the income and expenditure which are foreseen for the entire governance of the diocese in the coming year and at the end of the year examines an account of the revenues and expenditures (c. 493).

The following decisions of the Bishop require his consulting with the Finance Council:

- The imposition of a moderate tax on public juridic persons subject to the Bishop’s authority (c. 1263);
- The imposition of an extraordinary tax on other juridic and physical persons (c. 1263);
- The performance of more important acts of administration (c. 1277);
- The determination of limits of ordinary administration of those subject to the Bishop (c. 1281 §2);
- The designation of appropriate investment strategies for goods assigned to an endowment (c. 1305);
- The diminishment of obligations arising from a foundation when their fulfillment becomes impossible (c. 1310 §2);
- Before selecting or removing the diocesan finance officer (c. 494 §§1-2)
The following decisions of the Bishop require the consent of the Finance Council:

- The performance of acts of extraordinary administration (c. 1277);
- The alienation of property beyond a stipulated amount determined by the conference of bishops (c. 1292 §1);
- The completion of any transaction, in addition to alienation, which could worsen the financial condition of the diocese (c. 1295).

The Finance Council may be consulted and carry out any other matter given to it by the Bishop.

These statutes may be amended by a majority vote of the Finance Council and the approval of the Bishop.

**Membership:**

**Type of Members:** The Bishop shall appoint a minimum of three and a maximum of fifteen members to the Finance Council. No more than ten (10) of these may be members of the laity. Up to five (5) members may be clerics, with at least one cleric holding the office of Vicar General. Appointing (priests or deacons) having full-time assignments outside Diocesan Administration positions is suggested. The Bishop may consult the Finance Council prior to any appointment (c. 492).

**Term of Membership:** Each Finance Council member shall be appointed for a term of five (5) years, renewable for additional five (5) year terms (c. 492 §2).

**Resignation:** A member may submit her or his resignation to the Bishop for consideration. The Bishop must accept the resignation for it to be effective.

**Removal:** The Bishop may remove any member from their position for a just cause (c. 193 §3) which shall include, but is not limited to, absence from three consecutive Finance Council meetings without reasonable justification.

**Vacancy:** Should a member resign or be removed prior to the expiration of her or his term, the Bishop may appoint another qualified person to fulfill the remainder of the original holders term of appointment.

**Conflicts of Interest:** All members of the Finance Council or its subcommittees shall comply with the Conflict of Interest Policy adopted by the Finance Council. Failure to do so will be grounds for removal from the appointment and may lead to limits of indemnification.

**Indemnification:** The Diocese of Biloxi shall indemnify any person who has or is a party or is threatened to be made a party to any threatened, pending or completed legal action, suit or proceeding whether civil, criminal, administrative or investigative by reason that the person is a member of the Finance Council of the Diocese of Biloxi.
Officers:

The Bishop shall preside over the Finance Council. The Bishop shall designate members of the Finance Council to serve as Chair and Vice-chair. It shall be the responsibility of the Chair and the Director of Finance to coordinate the activities of the Finance Council Committees and plan the meetings of the Finance Council with the assistance of the Vice-Chair.

Meetings

**Frequency:** The Finance Council shall meet at least quarterly and more often as appropriate.

**Notice of Meeting:** Written notice of the date, time and place of all meetings shall be given to all members at least five (5) business days prior to each meeting. Such notice may be sent by regular mail, email or facsimile to each member at his address as shown by the records of the Finance Council. It is the responsibility of the member to keep the Director of Finance informed of her or his current address.

**Quorum Defined:** A simple majority of the total number of members shall constitute a quorum at any meeting of the Finance Council. No business may be conducted unless the Bishop or the Vicar General is present.

**Presence by Telephone:** A member who cannot be physically present may be deemed present and voting if s/he calls into the meeting by telephone at the beginning and remains present throughout the length of the meeting.

**Minutes:** Written minutes of all Finance Council meetings shall be maintained. Any vote regarding specific items of consent as noted in the Responsibilities section of this document shall include a roll call record of the votes of all members in attendance and at least a summary of the discussion regarding the matter prior to the vote. All minutes shall be maintained in the Diocesan archive.
Committees

Standing Committees: There will be eight standing committees for the Finance Council which shall be:

- Audit
- Property
- Budget and Operations
- Insurance and Benefits
- Investment
- Parish Finances
- School Finances
- Construction and Renovation

Membership: The Bishop shall designate all members of each committee. The Director of Finance shall sit *ex officio* as a member of all committees. All committees, with the exception of the Construction and Renovation Committee, shall be chaired by a member of the Finance Committee. Other committee members may be drawn from qualified members of the clergy or laity, some of whom may not be members of the Finance Council. These members have no vote on the Finance Council, but do possess a vote on the committee to which they are appointed. These members sit at the pleasure of the Bishop and may be changed at any time for any reason.

Committee Chair Responsibilities: The committee chair will be responsible for scheduling and organizing committee meetings, delegating responsibilities to other committee members or liaisons and reporting the committee’s activities to the full Finance Council. Each committee charge listed in this document should be addressed annually unless otherwise noted.

Meetings: All committees shall meet at least annually and more frequently if deemed necessary by the committee chair. Each committee may determine its own rules of procedure.

Minutes: All committees must keep records of its actions and proceedings. These must be reported to the full Finance Council at the next regularly scheduled meeting.

Staff Liaison: The Bishop shall designate a member of the Diocesan management staff to serve as the liaison to each committee. The liaison shall serve as a resource for the committee to accumulate date and statistics, clarify policy, provide historical perspective, management insight, and define the involvement of other consultative bodies.

Other Committees: With the consent of the Bishop, the Finance Council may create temporary committees designated for specific purposes. No such committee may exist for more than one year without a specific vote for its continuance by the Finance Committee.
Audit Committee:

Membership: This committee shall be composed of at least three members with the chair being a member of the Finance Council. All committee charges are to be completed on an annual basis. The chair is responsible for setting the meeting date and for a written report of committee recommendations to the Director of Finance who will include the recommendations on the agenda for the next Diocesan Finance Council meeting. The Bishop will make the decision on any proposed recommendations. In the event that action is needed on an issue prior to the next Diocesan Finance Council meeting, the committee recommendation may be given by the Director of Finance directly to the Bishop for his decision. Any resulting action will be included in the committee reports at the next Diocesan Finance Council meeting. This committee shall meet at least annually.

Charge:

- To periodically make recommendations regarding the appointment of independent public accountants and their fees;
- To annually make recommendations to the Finance Council with respect to the scope of the audit conducted by the independent public accountants;
- To annually review all recommendations made by the independent public accountants of the Diocese with respect to the accounting methods used and the system of internal control observed, and to advise the Finance Council of significant issues;
- To monitor the adherence to the formalities required of corporations and structures created under civil law; and
- To address any other matter referred to it by the Bishop or the Finance Council.
Property Review Committee:

**Membership:** This committee shall be composed of at least three members with the chair being a member of the Finance Council. The Director of Finance will contact the committee members when proposed purchases or sales are to be reviewed. This committee may meet via conference call. The chair is responsible for a written report of committee recommendations to the Director of Finance who will include the recommendations on the agenda for the next Diocesan Finance Council meeting. The Bishop will make the decision on any proposed recommendations. In the event that action is needed on an issue prior to the next Diocesan Finance Council meeting, the committee recommendation may be given by the Director of Finance directly to the Bishop for his decision. Any resulting action will be included in the committee reports at the next Diocesan Finance Council meeting. This committee shall meet at least annually.

**Charge:**

- To make recommendations to the Finance Council and the Bishop regarding the alienation of property in accord with the limits established by the Episcopal Conference;

- To review the proposed acquisition of real estate so that the committee can properly advise the Bishop prior to the approval of the transaction;

- To address any other matter referred to it by the Bishop or the Finance Council.
Budget and Operations Committee:

Membership: This committee shall be composed of at least three members with the chair being a member of the Finance Council. This committee shall meet at least quarterly with the chair setting the meeting dates. The chair is responsible setting the meeting date and for a written report of committee actions and recommendations to the Director of Finance who will include the recommendations on the agenda for the next Diocesan Finance Council meeting. The Bishop will make the decision on any proposed recommendations. In the event that action is needed on an issue prior to the next Diocesan Finance Council meeting, the committee recommendation may be given by the Director of Finance directly to the Bishop for his decision. Any resulting action will be included in the committee reports at the next Diocesan Finance Council meeting. This committee shall meet at least annually.

Charge:

- To assist in the preparation of the annual budget of the diocese and to recommend approval of the annual budget of the Diocese to the Bishop and the Finance Council;

- To review the results of annual operations of other significant entities under the direction of the Bishop. Any recommendations generated from the review process shall be made to the Finance Council;

- To annually make a recommendation regarding the appointment of legal counsel for the Diocese, with an appropriate review of past performance if available;

- To review and annually make recommendations regarding banking relationships for the Diocese;

- To review current financial results and recommend corrective actions where appropriate; and

- To address any other matter referred to it by the Bishop or the Finance Council.
Insurance and Benefits Committee:

Membership: This committee shall be composed of at least three members with the chair being a member of the Finance Council. The chair is responsible for setting the meeting date and for a written report of committee recommendations to the Director of Finance who will include the recommendations on the agenda for the next Diocesan Finance Council meeting. The Bishop will make the decision on any proposed recommendations. In the event that action is needed on an issue prior to the next Diocesan Finance Council meeting, the committee recommendation may be given by the Director of Finance directly to the Bishop for his decision. Any resulting action will be included in the committee reports at the next Diocesan Finance Council meeting. This committee shall meet at least annually.

Charge:

- To review and recommend benefit levels including, but not limited to, retirement benefits, medical and life insurance, long-term disability and such other benefits as may be appropriate;

- To review and recommend insurance coverages including, but not limited to, property, liability, worker’s compensation, special events and student accident insurance; and

- To address any other matter referred to it by the Bishop or the Finance Council.
Investment Committee:

Membership: This committee shall be composed of at least three members with the chair being a member of the Finance Council. The chair is responsible for setting the meeting date and for a written report of committee recommendations to the Director of Finance who will include the recommendations on the agenda for the next Diocesan Finance Council meeting. The Bishop will make the decision on any proposed recommendations. In the event that action is needed on an issue prior to the next Diocesan Finance Council meeting, the committee recommendation may be given by the Director of Finance directly to the Bishop for his decision. Any resulting action will be included in the committee reports at the next Diocesan Finance Council meeting. This committee shall meet at least annually.

Charge:

- To review investment performance of the invested assets under the control of the Bishop and make recommendations to the Bishop and the Finance Council as appropriate;

- To recommend investment policy guidelines and the investment allocation ratio, and such other duties as may be related to the management of the investment funds; and

- To address any other matter referred to it by the Bishop or the Finance Council.
Parish Finances Committee:

Membership: This committee shall be composed of at least three members with the chair being a member of the Finance Council. This committee shall meet at least semi-annually with the Director of Finance setting the meeting dates. The chair is responsible for a written report of committee recommendations to the Director of Finance who will include the recommendations on the agenda for the next Diocesan Finance Council meeting. The Bishop will make the decision on any proposed recommendations. In the event that action is needed on an issue prior to the next Diocesan Finance Council meeting, the committee recommendation may be given by the Director of Finance directly to the Bishop for his decision. Any resulting action will be included in the committee reports at the next Diocesan Finance Council meeting. This committee shall meet at least annually.

Charge:

- To meet with the individuals performing Best Practice Reviews of parishes at the regular meeting of the committee and examine the reviews of the parishes paying particular attention to deficits in internal controls of parishes that could leave opportunities for loss of parish assets;

- To review the Annual Parish Finance Reports and the Annual Parish Budgets;

- To review and recommend changes to parish accounting and reporting formats; and

- To address any other matter referred to it by the Bishop or the Finance Council.
School Finances Committee:

Membership: This committee shall be composed of at least three members with the chair being a member of the Finance Council. This committee shall meet at least semi-annually with the Director of Finance setting the meeting dates. The chair is responsible for a written report of committee recommendations to the Director of Finance who will include the recommendations on the agenda for the next Diocesan Finance Council meeting. The Bishop will make the decision on any proposed recommendations. In the event that action is needed on an issue prior to the next Diocesan Finance Council meeting, the committee recommendation may be given by the Director of Finance directly to the Bishop for his decision. Any resulting action will be included in the committee reports at the next Diocesan Finance Council meeting. This committee shall meet at least annually.

Charge:

- To meet with the individuals performing Best Practice Reviews of schools at the regular meeting of the committee and examine the reviews of the schools paying particular attention to deficits in internal controls of schools that leave opportunities for loss of school assets;

- To review the Annual School Finance Reports and the School Budgets, and recommending approval or non-approval of budgets;

- To recommend changes to school accounting and reporting formats; and

- To address any other matter referred to it by the Bishop or the Finance Council.
Construction and Renovation Committee:

Membership: This committee shall be composed of at least three members with the chair being appointed by the Bishop. This committee shall meet as needed with meeting dates set by the chair. The chair is responsible for setting the meeting date and for a written report of committee recommendations to the Director of Finance who will include the recommendations on the agenda for the next Diocesan Finance Council meeting. The Bishop will make the decision on any proposed recommendations. In the event that action is needed on an issue prior to the next Diocesan Finance Council meeting, the committee recommendation may be given by the Director of Finance directly to the Bishop for his decision. Any resulting action will be included in the committee reports at the next Diocesan Finance Council meeting. This committee shall meet at least annually.

Charge:

- To meet with pastors, principals and/or administrators regarding proposed construction and renovation plans for parishes, schools, or other diocesan location.

- Review the proposed construction and renovations plans for the appropriate liturgical guidelines, adherence to bidding procedures, and adherence to diocesan policy.

- To recommend any changes to the Construction and Renovation Policy.

- To address any matter referred to it by the Bishop or the Finance Council.