



FINANCE COUNCIL

Canon Law requires each parish to have a Finance Council. The role of the Finance Council is to advise the pastor and Parish Council in matters of finance and in decisions involving the temporal goods of the parish. It is separate from the Parish Council. The Parish Council is a consultative body to the pastor in deciding how to meet the needs of the parish as a whole. Both councils are directly accountable to the pastor.

Membership of the Finance Council

The pastor, or his representative from the pastoral staff, should be present for Finance Council meetings. The Finance Council should consist of at least three members who are skilled in financial affairs or civil law (see Guidelines and Policies for Parish Pastoral Council).

To minimize the possibility of conflicts of interest, it is recommended that Finance Council members not hold office in parish organizations or serve on the Parish Council at the same time.

Meetings

Meetings of the Finance Council should be held at least quarterly. Each member is required to maintain confidentiality on those matters designated as confidential.

It is recommended that the pastor select a secretary of the Council who is responsible for recording minutes of the meetings. These minutes should be forwarded to the pastor for approval and for distribution to the other members. Copies should be maintained in a permanent file in the parish office.

Duties and Responsibilities

The basic functions that are to be performed by the Parish Finance Council are as follows:

- Ensure adherence to Diocesan financial policies and procedures.
- Review parish and parish organization monthly financial reports compared to budget.
- Review and sign year end reports that are submitted to the Diocesan Office of Administration for the year.
- Review fundraising and charitable gaming reports.

- Periodically, or on a regular basis, request presentation of reports from representatives of other committees such as building and maintenance, special projects, school board, cemetery board, etc.
- One member of the Parish Finance Council should serve on the Parish Council.
- Ensure communication of financial information to all parish members at least on an annual basis.
- Prepare parish annual budget in collaboration with the pastor, Parish Council, and other appropriate parties.
- Be involved in long-range planning, including making recommendations based upon economic climate and financial trends with regard to parish investments, insurance, or other fiscal matters.
- Assist in the ongoing maintenance of all physical plant facilities and all expansion and reconstruction or demolition.
- Ensure inventory of parish goods is up-to-date and that insurance coverage is adequate.
- Review all unbudgeted expenditures over \$1,000.
- Ensure that bequests/gifts with restricted purposes that are received by the parish are administered in accordance with the donor's wishes. Ensure that a permanent file on such gifts is maintained.
- Ensure that parish tax-exempt status is maintained through compliance with federal, state and local laws, statutes, and regulations. The parish listing in the Official Catholic Directory is often used as proof of parish being a 501(c)(3) entity.
- Ensure that employment and personnel policies conform to Church and civil law.
- Ensure that collections mandated by the diocese are announced in advance in the parish bulletin or advertised in other ways, taken up and forwarded to the diocese within two weeks of the collections.

The Finance Council must be kept informed by the pastor and bookkeeper of all parish financial matters and be provided with copies of the Diocesan Financial Policies and Procedures Manual.