

## **GUIDELINES FOR PARISH FINANCE COUNCILS**

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The Code of Canon Law (Canon 537) mandates Parish Finance Councils in each parish. The role of the Parish Finance Council is to assist and advise the pastor in overseeing and controlling the financial affairs of the parish, including any schools. The Parish Finance Council is accountable to the pastor, who has the responsibility for final decisions. If the advice of the Parish Finance Council is unanimous on a given matter, the pastor will give serious consideration to the recommendation.

### **Functions of the Finance Council**

The pastor is responsible for all financial decisions and will establish annual operating budgets for the parish and school in consideration with the Finance Council. The pastor should also develop an annual capital expenditures budget, including source of funds, in consultation with the Finance Council. Actual income and expenses for the parish and the school should be reported monthly and reviewed by the Finance Council at least quarterly. Whenever possible, current year results should be compared with previous year results.

The members of the Finance Council must be given complete access to all records and documents relating to the financial status and operations of the parish and school.

In conjunction with this responsibility, the Finance Council shall do the following:

### **Budget**

- Establish a timeline for budget development and implementation by the parish/school staff.
- Ensure that the parish and school follow the Chart of Accounts provided by the Archdiocese to facilitate budgeting and reporting conformity.
- Review proposed operating and capital budgets.
- Review significant budget variances and develop a plan of action to correct the problem. If the variances cannot be corrected, the Finance Council should recommend amending the budget.
- Review the proposed expenditures not included in the approved budget.
- Review the proposed budgets for all parish and school organizations handling significant sums of money. Financial statements from these organizations should be submitted monthly to the Finance Council.
- Provide parishioners with an approved budget and periodic financial reports, at least annually.

### **Other Financial and Reporting Activities**

- Review financial statements, including annual reports, prior to submission to the Archdiocesan Catholic Center.
- Perform annual self-audits of the parish and school to determine that proper accounting procedures are being followed.
- Evaluate and make recommendations for maintaining and enhancing parish and school revenue, including investments, fundraising, and stewardship programs.
- Review all banking and financial institution relationships and make recommendations for improvements if needed.
- Ensure all Archdiocesan policies and procedures are being followed at all times with regard to fiscal and accounting activities.

### **Financial Responsibility**

The pastor may appoint the chairperson of the Finance Council to be an authorized signatory for the parish checking accounts. The appointed member would be authorized to sign checks up to \$3,000.00.

### **Meetings**

The Finance Council will meet at least quarterly, but monthly meetings are preferred. Special meetings of the Finance Council may be called at any time by the pastor. A quorum of the Finance Council at any regular or special meeting shall consist of two-thirds of the membership.