

St. Catherine of Siena Catholic Church Veneta, OR

Parish Administrative Council By-Laws

Updated: 4/24/14

Mission Statement

As an oversight committee, the mission of the Council is to provide advice and counsel to the pastor, assisting him in the sound financial operation of the parish. We seek to promote and maintain fiscal responsibility in the administration of the parish and through its many ministries. It is through communication and cooperation among parish administrators and parish ministries that we are good stewards of God's great gifts.

Objectives

- Provide advice and counsel to the pastor regarding financial matters.
- Review and submit suggestions for the annual budget as submitted by the pastor.
- Provide advice and counsel to the pastor and/or appropriate lay person on capital projects.
- Prepare, review, revise and submit long range financial plan/strategic plan in partnership with the pastor.
- Keep parishioners informed as to the financial status of the parish.
- Involvement in parish debt reduction program.

Article 1. Required Existence

Section 1 The Code of Canon Law §532 mandates that the juridic representation of the Parish and the administration of all parochial goods is the responsibility only of the Pastor, who must do so according to law. Under Church law the Pastor is the one tasked with, and responsible for, making all decisions after consulting with his Council. His decision-making is managed by other provisions of the law and not by the advice he receives.

“C. 532 In all juridic affairs the pastor represents the parish according to the norm of law. He is to take care that the goods of the parish are administered according to the norm of canons 1281-1288.”

Section 2 The Code of Canon Law §537 mandates that every parish is to form and have in operation a Parish Finance Council which is governed by the norms established by the archbishop for his archdiocese and which exercises its service *without prejudice* to canon §532.

“C. 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 the same norms, are to assist the pastor in the administration of the goods of the parish, without prejudice to the prescript of can. 532.”

Section 3 The Archdiocese of Portland in Oregon reiterates the universal Church's mandate that every parish is to implement this requirement of an advisory body and uses the term “Administrative Council” to refer to the local fulfillment of this mandate.

As required by canon §537 the applicable local archdiocesan norms are set forth in a temporary document entitled "Parish Finance Councils." Many of its provisions are incorporated here.

Article II. Purpose and Functions

The Administrative Council shall serve as an advisory body to the pastor. Notwithstanding Article 1.1 above, the council shall meet to deliberate and decide in common agreement, matters for which they are responsible - such as the parish budget - as they affect the parishioners of St. Catherine of Siena - Veneta.

Section 1 This organization shall be known as St. Catherine of Siena-Veneta Administrative Council.

Section 2 The Council pledges to provide advice and counsel to the Pastor, assisting him in the sound financial operation and management of the parish.

Section 3 Although by canon law he alone remains the juridic authority for *all* final decisions regarding the financial management of the parish, the Pastor, in keeping with Archdiocesan policy, shall consult with the Council in the following ways:

1) To advise the Pastor on non-budgeted expenditures of \$5,000 or more as prescribed by archdiocesan policy. In other words, to consult with the Pastor on all 'extraordinary' administrative acts including:

- a) Acceptance/refusal of a major gift or inheritance;
- b) Sale/transfer or lease of church property;
- c) Significant capital repairs or improvements;
- d) Incurring long-term debt;
- e) Instituting financial campaigns/drives;
- f) Establishing a cemetery
- g) Purchase of land or property
- h) Special collections
- i) Acts of Alienation

NOTE: Some of these extraordinary Administrative acts require approval or action by the Archbishop or his Designee [as well as by the Parish Civil Corporation]. Check with either the Vicar General or the Director of Financial Services if questions arise.

2) To assist the Pastor in the management of funds that the parish is authorized to retain and manage under Canon Law 1281-1288; namely "three months operating expenses" as prescribed by archdiocesan policy.

3) To review and approve the Annual Budget and Annual Parish Report.

4) To set priorities in budget preparation so that they reflect the parish Pastoral Plan developed by the parish Pastoral Council.

- 5) To provide assistance and review in the formulation of the Parish **Report to the parish community**, as required by Canon §1287.
- 6) To provide regular review of financial statements and budget.
- 7) To evaluate and make recommendations regarding needs and effectiveness of parish efforts of church support through offertory collections and fund raising efforts.
- 8) To administer parish related organizations [such as the Altar Society; but not the local St Vincent de Paul Conference which is canonically independent].
- 9) To advise on personnel matters and implementation of personnel manuals.
- 10) To provide support to the Pastor in the administration of the parish, in areas such as:

- Volunteer contributions of time and talent;
- Parish records and administrative systems
- Risk management
- Ensuring compliance with all Archdiocesan guidelines
- Management of parish property

Section 4: The Administrative Council should develop a five-year financial planning document. The document should be a rolling financial plan that is revised annually and uses the guidelines set by the Pastoral Planning Guide.

Article III. Membership

Section 1 The membership of the Administrative Council shall consist of the pastor and 5 adult members from the parish. Lay members of the Council are appointed by the Pastor and serve at his discretion.

Section 2 To be eligible for membership, appointees to the Administrative Council must be at least eighteen (18) years old and active in the Parish, as shown by his or her abiding participation in and commitment within the parish community. Parish *employees* shall serve on the Parish Administrative Council only as ex-officio, non-voting members. Members of the Administrative Council should be chosen based on demonstrable skills or expertise in management, business, finance, accounting, building maintenance and personnel.

Section 3 Members of the Administrative Council shall be appointed by the pastor to serve a two year term and may be re-appointed or terminated in this role by the Pastor at any time.

Section 4 Terms shall be staggered to make certain that all members' terms do not expire in the same year. Terms shall end on July 31st.

Section 5 Should a vacancy occur before the expiration of a Council member's term of office, the Pastor shall fill the vacant term. The new member's term shall expire concurrent with the term of the position that was vacated.

Section 6 The Pastor shall keep a record of the membership and their terms of office.

Article IV. Consultative Body

Section 1 The Administrative Council is a consultative body which makes recommendations to the pastor to aid him in the administration of the parish goods (all parish financial resources, buildings and grounds).

Section 2 To be effective in its deliberations, the Administrative Council may request and have access to financial information and/or other reports and information from the parish.

Article V. Officers

The Pastor: Presiding Officer

Section 1 In keeping with his role as defined by Canon Law and the nature of the Church, the Pastor is the ex-officio Presiding Officer of the Administrative Council.

Section 2 The Pastor prepares the Agenda, finalizes the Minutes, and presides over the conduct of the meetings. He may delegate all or part of these duties.

The Council President:

Section 3 The members of the Council shall elect a President from among the lay members of the Council. A quorum of 4 members (including the Pastor) is required for a vote. A simple majority of the members voting is required for election.

Section 4 The President shall:

- a) serve for a term of one year, renewable indefinitely at the discretion of the Pastor;
- b) provide the Constitution, By-Laws and history of the Administrative Council to all new members;
- c) freely consult with the Pastor prior to monthly meetings to provide input with regard to the agenda and other issues put forth by Council members;
- d) begin and end the meetings with a prayer;
- e) represent the lay membership of the Council in its interactions with both the Pastor and the Parish membership at large;
- e) serve ex-officio as the Secretary of the Board of Directors of the Parish's Civil Corporation.

Section 5 In the event the President has not been able to meet his/her duties (for example, 3 consecutive un-excused absences from meetings), the Pastor can choose to replace him/her by calling for the election of a new President for the remainder of the term.

Financial Review Officer

Section 6 The entire membership of the Administrative Council shall nominate and the Pastor shall appoint a Financial Review Officer. A quorum of 4 members (including the Pastor) is required for a vote. A simple majority of the members present is required for nomination.

Section 7 The Financial Review Officer shall:

- a) serve indefinitely at the discretion of the Pastor;
- b) either be a member of the Council with the necessary accounting skills or be any other skilled member of the parish who also fulfills the requirements of Article III, Section 2 above;
- c) serve as an independent auditor for the financial activity of the Parish;
- d) ensure Parish compliance with the [Archdiocesan] *Offertory Collection Procedures* and other policies of the Archdiocese.

Article VI. Organization of the Council

Section 1 The Administrative Council will hold elections in August of each year to elect a President.

Section 2 Minutes shall be submitted to the Council for review no more than a week after the meeting.

Section 3 Minutes of each meeting shall be approved by a majority of the Council members in attendance at the following meeting.

Article VII Meetings

Section 1 The Administrative Council shall meet a minimum of quarterly each year, always on the third Thursday of the month unless a conflict requires a change. Normally a meeting is scheduled every month except: 1) in whatever month(s) the Pastor is away, 2) in July (when a joint Council BBQ is usually hosted by the Pastor) and 3) in December, barring special circumstances that require a meeting in those months as well.

Section 2 Only the Pastor may call special meetings of the Administrative Council. Members must receive at least forty-eight (48) hours notice.

- Section 3 Decisions of the Administrative Council should be reached by consensus. Said decisions shall constitute a *recommendation* being made to the Pastor for his final decision as provided by Church law.
- Section 4 Three lay members of the Administrative Council shall constitute a quorum at any meeting.
- Section 5 The Pastor shall send out the proposed agenda for the upcoming Administrative Council meeting at least 3 days before the meeting. All members of the Administrative Council are encouraged to submit agenda items to the Pastor.
- Section 6 All parishioners are welcome to attend any of the Administrative Council meetings. However, whenever confidential matters are to be discussed, such as personnel issues, non-members may be asked to leave at the sole discretion of the Pastor.
- Section 7 The order of business for an Administrative Council meeting shall include, but is not limited to the following:
- 1) Opening Prayer
 - 2) Approval of the Minutes
 - 3) Financial Review
 - 4) Reports
 - 5) Old Business
 - 6) New Business
 - 7) Action Item Review
 - 8) Closing Prayer

Article VIII. Reports

- Section 1 Administrative Council Meetings
Minutes of the Administrative Council meetings shall be made available to parishioners upon request. The Pastor will determine whether confidential matters should be removed.
- Section 2 Annual Reports
In an effort to keep parishioners informed, the Administrative Council shall prepare an annual report each year that highlights the activities and accomplishments of the council from the previous year. The annual report shall be prepared by the President and made available to Parishioners by September 1st when the Annual Reports are normally due to the Archdiocese.

Article IX. Initial Adoption and Amendments

- Section 1 These by-laws shall be approved and adopted by unanimous agreement of the Pastor and lay Members of the Administrative Council.

Approved and adopted: _____ 20____.

Section 2 Amendments to these by-laws may be necessary. After a review by the Council membership and by a unanimous vote of the entire membership (Pastor and Lay Members), amendments may be made to these by-laws.

Section 2 The Pastor must approve all amendments prior to their being brought to a vote.

Section 3 The Pastor shall maintain a file of the by-laws and all amendments.

**ARCHDIOCESAN FINANCIAL CONTROL OVERSIGHT PROCEDURES
FOR PARISH FINANCE COUNCILS
[and their application at St Catherine]**

FINANCIAL STATEMENTS [assigned to Administrative Council]

Periodically, at least quarterly, review the parish financial statements, including the following steps:

1. Review actual revenue and expense results versus budgeted expectations for the period and/or year-to-date. [Parish C Report: Monthly Income & Expense vs Budget; Parish D Report: Income & Expense vs Previous Year; for a given period]
2. Review comparative (this year compared to last year) statements looking for significant differences or variations between line items and/or subtotals. [Parish D Report: Income & Expense vs Previous Year; for a year to date]
3. Ask questions of appropriate personnel concerning unusual items or significant variances between the budget and actual results.
In response to variances, take appropriate action to ensure the parish doesn't end in a deficit position.
- {4. Review the current Statement of Position (Balance Sheet). [Parish A Report.]
5. Review and approve the monthly Check Detail. [Parish B Report: Check Detail]}

COLLECTION COUNT [assigned to the Financial Review Officer]

Design and implement collection counting procedures as outlined in [Archdiocesan] *Offertory and Miscellaneous Cash Handling Procedures*. The Count Committee should periodically review procedures for compliance with parish policy, including the following steps:

1. Trace copies of deposit slips to the collection count records maintained by the counters.
2. Verify that two (2) members of the Count Committee have signed the count sheet.
3. Trace collection deposits to bank statements and verify that deposits were timely.

CASH DISBURSEMENTS [assigned to the Financial Review Officer]

Design and implement parish cash and disbursement policy and procedures as outlined in [Archdiocesan] *Tips to Prevent Fraud* and *Tips for Reviewing Bank Statements*. Periodically review cash and disbursements procedures for compliance with parish policy, including the following steps:

1. For each account, prepare a bank reconciliation semi-annually (include a provision to receive bank statements unopened from the bank).
2. Review all bank reconciliations each month.
3. Trace canceled checks to cash disbursements journals or check register.
Account for all check numbers including voids.
4. Payments are adequately supported by documentation.

PAYROLL [assigned to the Bookkeeper]

Design and implement payroll policy and procedures as outlined in [Archdiocesan] *Parish Accounting Procedures/Guidelines* and the *ADP Payroll Manual*. Periodically review payroll procedures for compliance with parish policy, including the following:

1. Personnel files should be reviewed for applications, withholding forms, and wage rates (there should be documentation to support all pay raises).
2. If the payroll bank account is separate from the operating account, perform the same steps as outlined in the cash disbursement procedures.

OTHER CASH RECEIPTS [assigned to the Archdiocesan Auditor]

Design and implement parish cash receipts policy and procedures as outlined in [Archdiocesan] *Fundraising Cash Handling Procedures*. Periodically review parish cash receipts procedures for compliance with existing policy, including the following:

1. Foot manual cash ledgers. (Footing means to add a column manually with a calculator. Spreadsheets can have errors that might result in errors.)
2. Trace totals to the general ledger. (Tracing means to compare the physical deposit slips and their accompanying accounting distribution to the general ledger.)
3. Foot and balance the general ledger. The subsidiary records should equal the control account(s) in the general ledger.
4. Review that procedures for handling mail receipts are being followed.

PARISHIONER STATEMENTS [assigned to the Bookkeeper]

Design and implement policies and procedures as outlined in [Archdiocesan?] *General Principles of Charitable Contributions*. Review procedures for data collection, entry, and reporting for compliance with parish policy as follows:

1. The total of the envelopes and loose checks should be compared with deposit records. The total of the envelopes and checks received without envelopes should balance with the totals entered into parishioner statements and in the bank deposit. This is a quick way to make sure contributions are being recorded properly.
2. Control the mailing of statements to parishioners. The person who ordinarily records donations into the accounting and census systems should not be able to access the statements and alter them. This allows donors to compare their records with those of the church. If they are different, parishioners should contact a third party to report the discrepancy. If there is an unexplained difference, it can be the result of fraud.

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