

Guidelines for Holy Apostles Parish Finance Council

PURPOSE: Canon Law calls for the establishment of a parish finance council within each parish:

Can. 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 these same norms, are to assist the pastor in the administration of the goods of the parish, without prejudice to the prescript of can. 532.

Can. 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 can. 1281-1288.

The role of the Parish Finance Council is to assist and advise the pastor, administrator, or other person in charge of the parish in overseeing and controlling the financial affairs of the parish. The Parish Finance Council is accountable to the pastor or administrator of the parish who has the legal responsibility for final decisions, subject to the laws of the universal Church as well as all Diocese policies and procedures. The advice or consent of the Parish Finance Council is integral to administrative decisions. When the Parish Finance Council acts unanimously on a given matter, the pastor or administrator should not act easily in a manner contrary to the recommendation.

MEMBERSHIP: The membership of the Parish Finance Council shall consist of no less than three (3) and no more than five (5) persons. Since the responsibility of finance councils require person who are skilled in accounting and finance, property and personnel management, and business law, the pastor appoints the members. To be considered for appointment the candidate must be a practicing catholic in good standing who participates in the ongoing life of the parish and one who is truly expert in financial affairs or business law with outstanding integrity. No member shall represent a specific group or ministry within the parish or school community.

Term of Service:

Parish Finance Council members are requested to serve a term of six (6) years, renewable at the discretion of the pastor.

Selection Process:

Members are appointed by the Pastor. The Pastor may seek input from current Parish Finance Council members regarding new members.

Criteria for Members:

Criteria for members of the Parish Finance Council include:

- Baptized practicing Catholic
- Registered member of the parish

- Actively participates in the ongoing life of the parish, especially Sunday Eucharist
- Not related to the Pastor or any employee of the parish
- Not employed by the parish or diocese
- Does not possess a conflict of interest

MEETINGS: Members are required to attend and actively participate in all meetings of the council. The Finance Council will meet at least quarterly, and in all events, the Finance Council shall have sufficient meetings to allow it to fully discharge the listed functions/responsibilities. Special meetings may be called at any time by the Pastor. A quorum of the Finance Council at any regular or special meeting shall consist of the majority of its members. To accommodate the needs of the Finance Council or other health or social concerns, meetings may be held through teleconference, virtual modes, or a combination of means so long as all members can participate fully in the meeting at all times.

Prior to each meeting, the Parish Bookkeeper will send out the necessary materials for the meeting. During the meeting, minutes will be taken by the Parish Bookkeeper and distributed to the members for approval. Minutes should be archived as part of the parish permanent record.

The Pastor is not a member of the finance council since he cannot be a member of a group that advises him. Nevertheless, the Pastor does preside over the meetings of the Finance Council. The Pastor may appoint a chairperson to chair all meetings.

Although the Pastor is held by no obligation to accede to the recommendations of the Finance Council, unless required by some diocesan legislation in the future, he should not depart from such recommendation without some prevailing rationale or explanation for his decision.

CONFIDENTIALITY: Members of the Parish Finance Council must exercise prudent judgment concerning the confidentiality of any parish or school financial records to which they have access, or any financial or other confidential information shared with them. Except for the pastor or administrator, no member of the Parish Finance Council shall have access to the records of individual parishioners relating to financial contributions or any other confidential personal or personnel information. In addition, the subject matter in meetings of the Parish Finance Council should not be discussed openly with other parishioners until a consensus has been reached and a determination has been made to share the information.

FUNCTION: The Finance Council should review the financial condition of the parish, including available cash funds, outstanding liabilities, actual vs. budgeted revenue and expenditures, and/or recently completed and future events or transactions affecting the finances of the parish. The ability of the council to review such information will depend greatly on the financial information being available for Finance Council meetings. A timely and accurate financial report should be given to the Finance Council at each of their regular meetings. If a special meeting is scheduled for a non-financial designated purpose, a financial report does not need to be prepared.

Responsibilities for the Parish Finance Council shall include:

1) Budget:

- a) Establish a timeline for the development of a balanced annual budget and for its implementation by the parish.
- b) Maintain a chart of accounts that facilitate budgeting and reporting in conformity with the Diocese of Boise, modified to the need of the Parish.
- c) Review proposed operating and capital budgets for the parish.
- d) Review significant budget variances and develop a plan of action to address and resolve or correct the issues causing the variance. If the variances cannot be corrected, the Parish Finance Council should recommend amending the budget to reach a balanced budget.
- e) Review proposed expenditures not included in the approved budgets.

2) Other Financial and Reporting Activities:

- a) Review quarterly financial statements, including annual reports. Compare all financial reports with the current year's budget and previous year's results.
- b) Review bank statements and bank reconciliation for each account on a quarterly basis.
- c) Review the journal entries quarterly.
- d) Ensure that proper internal controls and procedures are in place so that cash and other resources are used for their intended purposes.
- e) Review any commitment of parish resources over \$10,000.
- f) Perform annual self-audits of the parish to determine proper accounting procedures are being followed.
- g) Evaluate and make recommendations for maintaining and enhancing parish revenue including investments, fundraising, and stewardship programs.
- h) Ensure all Diocese of Boise policies and procedures are being followed at all time with regard to fiscal and accounting activities.
- i) Advise the pastor or administrator in developing a program for the care and maintenance of all parish facilities. Assist the pastor in developing a long-range plan for funding and implementing a long-term capital improvement campaign.
- j) Plan and oversee the execution of a campaign to increase weekly Sunday offertory at least once every three years or as deemed needed.