

Parish Administration – Finance Council

According to canon 537 of the Code of Canon Law: “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”

1. An active finance council is also in accordance with our diocesan general principle #3 (*Priests should actively solicit advise from lay experts, specifically the parish finance council to assist in the proper financial management of the parish. In this respect, the pastor and the parish staff are expected to provide appropriate, and regular financial reports to the council to assist with this endeavor.*)

Finance Council Mission

The parish finance council forms a critical, albeit advisory function. Its decisions/recommendations are valid only when ratified by the pastor. Recommended roles for a parish finance council include:

- Reviewing annual budgets
- Reviewing the parish balance sheet and income statement on a quarterly basis (including comparisons of actual results on the parish income statement to budgeted expectations).
- Assisting in the creation of capital campaign plans
- Reviewing and assisting in the creation of annual reports for parishioners
- Advising the pastor on ad hoc financial matters, including but not limited to:
 - Reviewing parish investments, including any trusts to which the parish is a beneficiary
 - Assisting the pastor with developing plans for re-payment of parish debt
 - Assisting the pastor with taking appropriate measures to safeguard the assets of the parish

Membership

Finance council members are chosen by and serve at the discretion of the pastor. Recommended guidelines for Finance Council membership include:

- In addition to the pastor, 3-5 lay members with professional experience (minimum of three)
- Parish staff may attend meetings as necessary, and should assist council staff, but it is recommended that they not be council members (to maintain the independence of each council).
- Council staff should not be related to the pastor or any member of the parish staff.
- Terms are created at the discretion of the pastor.

Meetings

It is recommended that the Finance Council meet at least quarterly. Ad hoc meetings may also be scheduled as needed. An agenda should be prepared for each meeting and meeting minutes should be recorded and kept at the parish.

Minutes

It is a requirement in the Diocese of Fall River that minutes be kept from Parish Finance Council meetings. The minutes should be kept on file at the parish. At the beginning of every meeting, prior meeting minutes should be formally approved by the council (this should be a standard agenda item for every meeting). Note that a review of parish finance council minutes (typically for the past 12 months), is a standard part of the rolling financial reviews conducted at parishes and schools within the Diocese of Fall River.

Please see *Exhibit 25: Parish Minutes Form* for a template Finance Councils can use to create minutes from each meeting.

[Please note that all questions related to **Parish Administration - Finance Council** should be directed to the Finance Department – See Exhibit  for a list of Chancery Staff]