

## GUIDELINES FOR PARISH FINANCE COUNCILS

*Canon 537 states:*

***“Each parish is to have a finance council which is regulated by universal law as well as by norms issued by the diocesan bishop; in this council the Christian faithful, selected according to the same norms, aid the pastor in the administration of parish goods....”***

The parish finance council serves as an advisory body to the pastor in the administration and stewardship of parish finances, budget, facilities, fund raising and long-range financial planning.

The pastor, on the basis of their expertise in accounting, finance, investment, development, budget, and law, appoints members of the finance council. Usually the finance council consists of 3-5 members.

The parish finance council and the parish pastoral council function interdependently; it is essential that they communicate with each other in carrying on the parish mission. Some parishes have a member of the finance council attend pastoral council meetings; in other parishes the pastor is the one who makes sure there is communication and consultation taking place. The pastoral council needs to be aware of the finances of the parish, but their expertise is not in financial matters. The pastoral council is charged with keeping the vision alive and seeing the bigger picture of pastoral issues.

### **The role and purpose of the parish finance council:**

The role of the parish finance council is fiscal stewardship. The parish finance council serves as an advisory body to the pastor in the administration and stewardship of finances, budget, facilities, fundraising and long-range financial planning.

### **The tasks of the parish finance council**

- To advise the pastor on all matters of financial concern;
- To become familiar with and recommend steps to comply with the policies and procedures contained in the **Handbook of Administrative Procedure** (i.e. Collection Counting and Security Procedures);
- To discern, through prayer and study, the proper stewardship of parish funds and assets;
- To monitor and help interpret monthly financial statements and budget compliance;
- To ensure that reconciliation of bank accounts occurs on a monthly basis;
- To recommend and monitor an annual budget process;
- To delegate to a Stewardship Committee or recommend ways to increase revenue to meet the needs of the parish and coordinate fund raising; and,
- To account to the parish, at least annually, the financial condition of the parish.

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### **The parish finance council does not:**

- Establish the priorities of the parish;
- Determine the direction of programs of the parish;
- Hire, supervise or evaluate personnel; nor
- Determine what to cut or eliminate when trying to balance the budget.

### **Pastor's Role:**

The pastor presides over, but does not necessarily chair, meetings of the parish finance council.

### **Councilors' Role:**

Members of the council share their administrative expertise and good judgment, provide input on financial matters and advise the pastor on possible alternative courses of action.

### **Selection:**

Members of the parish finance council are appointed by the pastor.

### **Membership qualifications:**

Members of the parish finance council should be people of integrity who have a good understanding of Gospel values and the mission of the Church as well as expertise in financial and administrative matters.

### **A councilor should:**

- Demonstrate that his/her faith is alive and active;
- Regard the sacramental life of the Church as essential to his/her faith;
- Have demonstrated commitment to the parish community;
- Be committed to spiritual growth;
- Be willing to develop skills in Christian leadership; and
- Be willing to commit time and energy to the consultation process.

### **Term:**

The term of office is to be determined by the pastor. Three-to-five year terms are recommended, which may be renewed once. Terms should be staggered so that no more than one-third of the council member terms expire in any one year.

### **Staff's Role:**

The parish finance council **is not** itself responsible for implementing policy. This is an administrative function which more properly belongs to the pastor, the pastoral and administrative staff, and those who assist them, especially the volunteers who serve in parish ministry.

### **Council Structure:**

Each parish is to develop a council structure which facilitates the consultative process.

### **Accountability:**

The parish finance council has a moral responsibility to the parish and to the Church for performing its role.

### **Evaluation:**

The council should evaluate its performance periodically. Forms of evaluation include personal self-evaluation; council self-evaluation; peer group evaluation and evaluation by the pastor.

### **Charter:**

Each parish finance council should have a charter (see "How to Write a Charter" in the Resources).