

Parish Finance Council Bylaws

An active and well-formed Parish Finance Council is one of the prominent foundations of stewardship and an important and necessary support to the parish administrator/Pastor in fulfilling his duty of being a good steward of parish resources. A Parish Finance Council supports the good governance of a parish and helps there be accountability to the diocese and to the parishioners through administrative and financial management that is both ethical and efficient.

A Finance Council, composed of members with the appropriate expertise and possessing a love for the Church and its mission, can provide the Pastor valuable advice and assistance in the execution of his parish financial administration duties. A competent Finance Council can also help a parish maximize its financial resources and avert potential financial problems. The parish Finance Council does *not* have decision-making authority. The Council has only those duties and responsibilities envisioned by Canon Law and assigned to it by the Pastor. To be effective in their responsibilities as Council members, members should have a thorough understanding of the parish's mission, goals, structure and demographics; knowledge of diocesan statutes and policies regarding properties and possessions of the church; and a general understanding of the structure and organization of diocesan finances.

The Finance Council shall have clearly defined duties, authority, and responsibilities in documentation through by-laws. It is the active Finance Council that will provide its parish with good management practices. The principal duties of a parish Finance Council are:

1. Strategic – Mission Planning

- Assist the Pastor in developing a long-term parish capital improvement plan which includes implementation and funding sources to fulfill long-term pastoral goals.
- Advise the Pastor on significant expenditures before making a purchase or lease commitment.
- Assist the Pastor in developing a program for the care and maintenance of all parish facilities.
- Where possible, help the Pastor establish and manage a parish endowment program.
- Assure financial assets are maintained and invested in the optimum manner.

2. Annual Capital and Operating Budget

- Assist in establishing timelines for the development and implementation of the annual capital and operating budget for parish/school operations, and other parish organizations, including all parish organizations and groups with bank accounts (i.e. athletics, youth, parish picnic etc.).

- Periodically review budgets. Receive, record, and monitor annual budgets and expectations for all groups holding funds or incurring expenses in the name of St. Martin Parish. This includes but is not limited to the following:
 - School Principal/School Advisory council
 - Stewardship council
 - Pastoral council
 - Maintenance committee
 - Cemetery committee
 - Social concerns committee
 - Home & School Association
 - Others
- Receive an annual budget from the aforementioned groups no later than March 15th of each year in order to develop the parish annual fiscal year budget and make recommendations to the Pastor for changes as appropriate.
- Establish and maintain guidelines for purchasing. Prioritize and recommend approval/denial/postponement of major purchases and expenses to the Pastor according to available financial resources
- Liaison with Pastoral council, School Advisory council and Stewardship council to assure sufficient financial resources are planned for and available for parish activities.

3. Financial Records and Reporting

- Assure best practices for accounting are followed. Review financial statements, including annual reports, to create a process of checks and balances. Determine that diocesan policies regarding fiscal and accounting procedures are being followed including accuracy and completeness.
- Receive and review income and expense reports for the parish at least quarterly. Whenever possible, current year results should be compared with the current year budget and prior year results. All significant variances should be explained. Particular attention should be given to expenditures not included in the capital or operating budget. Verify the cash balances of all parish organizations with cash accounts.
- Where appropriate, assist with the taking of a detailed inventory of assets annually.
- Assist in preparing/presenting/communicating (at least annually) a financial report to all parishioners concerning the parish's financial status. Specific information should be included on parish operations, parish school and other parish organizations/fund raising groups/projects as needed, in addition to consolidated results.

- Monitor parish contribution trends and, in particular where collection trends are below budgeted needs, inform parishioners on a timely basis.
- Monitor payments of all taxes, loans and diocesan assessments to determine that all payments are accurate and paid on a timely basis.

The following represent key elements that will help to ensure a properly functioning Finance Council:

1. Meetings

Meetings should take place at least quarterly but ideally monthly and minutes accurately recorded with documentation of attendance, main topics reviewed, and any votes taken. Minutes are to be maintained in the parish office.

2. Membership

Parish Finance Council members are appointed by the Pastor who also determines the length of term for each member. Council members should be members of the parish and Catholics in good standing. The recommended size is 3-7 members, with various members containing the following areas of expertise if possible:

- Finance
- Civil law
- Accounting
- Property management
- Budgeting

3. Officers

The offices held within the Finance Council include a Chair and Secretary.

4. Decision-making

A quorum of members is needed to approve actions taken by the council. A quorum is defined as a simple majority of council members.

5. Communication of parish financials

The Finance Council will communicate regularly, but not less than annually, the financial condition of the parish. The annual report can contain such information as sources and amounts of income, parish indebtedness, and parish savings and investments. A comprehensive report is an important element of accountability. Accountability completes the circle of stewardship and directly impacts people's willingness to give of their time, talent, and treasures.

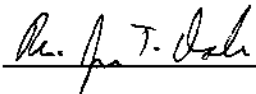
6. Discussion of relevant topics

The council shall review and evaluate the internal controls concerning the accounting function, define specific practices, procedures, and techniques. Review and discuss the parish annual report. Monitor actual results to budgeted comparisons. Assess the condition of the buildings and plan for improvements.

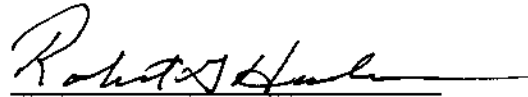
The parish Finance Council serves an important role in providing counsel to the pastor. A pastor is not typically trained in business management issues, yet he is entrusted with running what, in

many cases, would be considered a good size business operation. The pastor is reliant on his trusted advisors to manage the temporal affairs of the parish. A well-structured and effective Finance Council acts as good stewards of the resources that have been entrusted to the parish. This in turn builds confidence and trust and allows the parish to accomplish its mission more fully.

Approved by:



Fr. Jason Doke, Pastor



Bob Hackman, Chair

August 17, 2022