
 <p>ARCHDIOCESE OF SAINT PAUL &amp; MINNEAPOLIS</p>	<b>Effective Date:</b> 2/5/2019	<b>Number:</b> 207
	<b>Subject:</b> Parish Finance Council Requirements <b>Scope:</b> <input type="checkbox"/> Archdiocese <input checked="" type="checkbox"/> Parishes <input type="checkbox"/> Schools	
	<b>Reference:</b> Constitution and Bylaws Templates; Parish Financial Requirements Policy	
	<b>Archbishop Signature:</b> 	

## Purpose

1983 Code of Canon Law 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](#).

Through his office, the [Pastor](#) is the administrator of the finances and temporal goods of the [Parish](#). The [Parish Finance Council](#) is a consultative, advisory body with a collaborative relationship with the [Pastor](#). The [Parish Finance Council](#) fulfills an essential role in assisting the [Pastor](#) in carrying out his office in compliance with all the requirements of canon and civil law. The [Parish Finance Council](#) serves the good order and administration of the [Parish](#) by fulfilling the duties entrusted to it. It does not have final decision-making authority regarding the finances of the [Parish](#).

## Policy

- I. Each [Parish](#) is required to have a constituted and active [Parish Finance Council](#) to assist and support the [Pastor](#) and [Trustees](#) in their stewardship of [Parish](#) resources. [Parishes](#) that are clustered (sharing one [Pastor](#) while remaining separate legal and canonical entities) must maintain their own [Parish Finance Council](#).
- II. A member of the [Parish Finance Council](#) may serve as a representative to the [Parish Pastoral Council](#) to facilitate communication between the Councils.
- III. Members of the [Parish Finance Council](#) must be current with [Essential 3](#) safe environment requirements of the [Archdiocese](#).
- IV. A [Parish Finance Council](#) must meet at least quarterly. The [Parish Finance Council](#) must operate in accordance with current Constitution and Bylaws that have been approved by the [Archbishop](#) or his designee.
- V. The [Parish Finance Council](#) remains in place when there is a change in [Pastor](#). A new [Pastor](#) must meet within 90 days of his appointment with the [Parish Finance Council](#).
- VI. A template for the Constitution and Bylaws of a [Parish Finance Council](#) is attached to this policy. Adaptations that may be made by the [Parish](#) are indicated in red font.

VII. The [Parish Finance Council](#) must fulfill the functions required of it by canon law and Archdiocesan policy. These include:

- 1) Receive and study budget requests and propose an overall [Parish](#) budget to the [Pastor](#) and [Trustees](#). Ensure that provisions to satisfy all obligations of the [Parish](#) are included in the budget, including those to lenders and programs of the [Archdiocese](#). The [Parish Finance Council](#) then submits its draft budget to the [Parish Pastoral Council](#), or a committee of it, who reviews the budget to provide advice in light of [Parish](#) goals and priorities.
- 2) Regularly review periodic (at least quarterly) financial reports such as balance sheets, income statements, cash flow analysis, and comparisons to budget prior year(s).
- 3) Review budget to actual comparisons by individual program category. Identify and investigate significant variances from budgeted figures.
- 4) Review all expenses in order to minimize costs through preventative maintenance, energy conservation, and the implementation of risk management programs and recommendations.
- 5) Internal controls and procedures:
  - a) Ensure that the Archdiocesan-required procedures for cash receipts, cash disbursements, administration of bank accounts, petty cash, and payroll are being followed;
  - b) Ensure that procedures for approving new bank accounts that indicate the [Parish Finance Council](#) must approve new bank accounts before they are opened, including those for auxiliary groups, are in place and followed;
  - c) Review the financial reports for [Parish](#) general operations, the [Parish School](#) (if applicable) and other [Parish](#) organizations or programs with bank accounts or revenue collection responsibilities, to determine if proper accounting practices and internal control procedures are in place;
  - d) Identify areas where internal controls may be lacking or proper accounting practices not applied, and make recommendations to the [Pastor](#) as to how those areas can be corrected;
  - e) Advise the [Pastor](#) and [Trustees](#) on the selection of independent public accountants and review management letters issued by said accountants including resolution of internal control deficiencies.
- 6) Oversee [Parish](#) investments in accord with Archdiocesan Policy.
- 7) Provide advice on the management of [Parish](#) funds and banking arrangements.
- 8) Review and provide assistance as to the communication of the [Annual Parish Financial Report](#) to the [Parish](#) community and to the [Archdiocese](#), as indicated in the policy titled “Parish Financial Requirements.”
- 9) Review and sign the [Annual Representation Letter](#) as indicated in Policy N. 405 ([Annual Representation Letter](#)).

- 10) Provide advice as to what the [Parish](#) should do to comply with Archdiocesan policies and USCCB recommendations with respect to conflicts of interest, protection of whistleblowers and fraud detection, reporting, and prevention.
- 11) Provide advice on how to use undesignated bequests or other unbudgeted revenue.
- 12) Provide advice when hiring or evaluating a business manager or anyone providing business services to the [Parish](#).
- 13) Become knowledgeable on Archdiocesan policies so as to provide advice to the [Pastor](#) on implementation, including attending training sessions offered by the [Archdiocese](#) to [Parish Finance Council](#) members.
- 14) Evaluate compliance with Archdiocesan policies and assist the [Pastor](#) in meeting these obligations, bringing concerns about irregularities to the appropriate Archdiocesan staff and law enforcement when necessary.
- 15) Provide advice on matters requiring proxies by the [Parish](#) civil corporation, as outlined in Archdiocesan [Policy n. 216 – Required Approvals for Parish Corporate Actions \(Proxies\)](#).
- 16) Provide [Trustees](#) with access to the information required to fulfill their responsibilities.
- 17) Review fundraising activities to assess the effectiveness of existing programs and recommend changes if existing revenues are insufficient. Review activities such as bingo, raffles, and concession sales for acquisition of the required licenses, support documentation for tax filings, and actual tax filings.
- 18) Review the financial statements, including perpetual care funds, maintenance, and contracts of any [Parish](#) cemeteries and the activities of [Parish](#) auxiliary groups and verify cash balances of bank accounts.