

FINANCE COUNCIL

The following section explains the responsibility of the Finance Council as well as it provides a reference of the canon law. The Finance Council is an advisory body for the Pastor on temporal matters. The Pastor looks to his Council for sound financial guidance and assistance in effectively planning the resources needed to develop and implement parish plans and programs. As such, they serve the Pastor as a corporate finance officer might serve their president. Although ultimate authority and accountability rests with the Pastor by law, decisions should be made in a collaborative, collegial and co-responsible manner.

Membership

The Finance Council is an advisory body of at least two members who will work with the Pastor. The members shall be:

- In good standing in the parish, who are competent in financial affairs and can work well with others in providing such administrative assistance,
- Individuals who are well acquainted with, or willing to learn, the civil, canonical and diocesan regulations pertaining to the temporal administration of the parish.
- Individuals who are familiar with sound business practices and can read and interpret financial statements, or have a willingness to learn.

Term:

Members are to be appointed by the Pastor for fixed terms of no less than three (3) years, with opportunity for re-appointment.

Given the nature and mandate of a Finance Council, it ceases to exist in law with the death or transfer of the Pastor or administrator to another appointment. However, it is recommended that for purposes of continuity of operations, the newly assigned Pastor or administrator extend its mandate for six-month period, a new council should be appointed according to universal and particular church law.

Specific Responsibilities

1 - Ensuring that appropriate internal controls and safeguards are in place, including all measures taken for the purpose of:

- Protecting the resources from loss.
- Ensuring the accuracy and reliability of accounting data.
- Securing compliance with Diocesan policies, and evaluating performance.

2 - Directing the preparation of the annual budget, including:

- Reviewing the financial pattern of the parish for recent years.
- Ensuring that projected income balances with anticipated expenditures.
- Ensuring that funds are available for ongoing building maintenance and future repair and replacement costs.
- Seeking input from the Parish Council, especially on projects that are financed for the growth of the parish and which arise from the pastoral ministry.
- Liaising and reporting on different committees who have been given accountability for various budget programs.

3 - Monitoring actual financial results, by:

- Establishing a process for pre-authorization and approval of expenditures in accordance with the budget.
- Analyzing the variance between actual monthly income and expenditures as compared to budget to determine if operations are proceeding in accordance to plan.
- Recommending fund raising measures and spending adjustments to maintain positive cash flow or improve cash flow performance, and depositing excess capital in the Central Fund.
- Considering whether the income received is proportionate to the ability of the faithful to contribute and recommending action, when economic and other factors have caused a decline in collections, or the parish is relying heavily on inappropriate sources of funding.