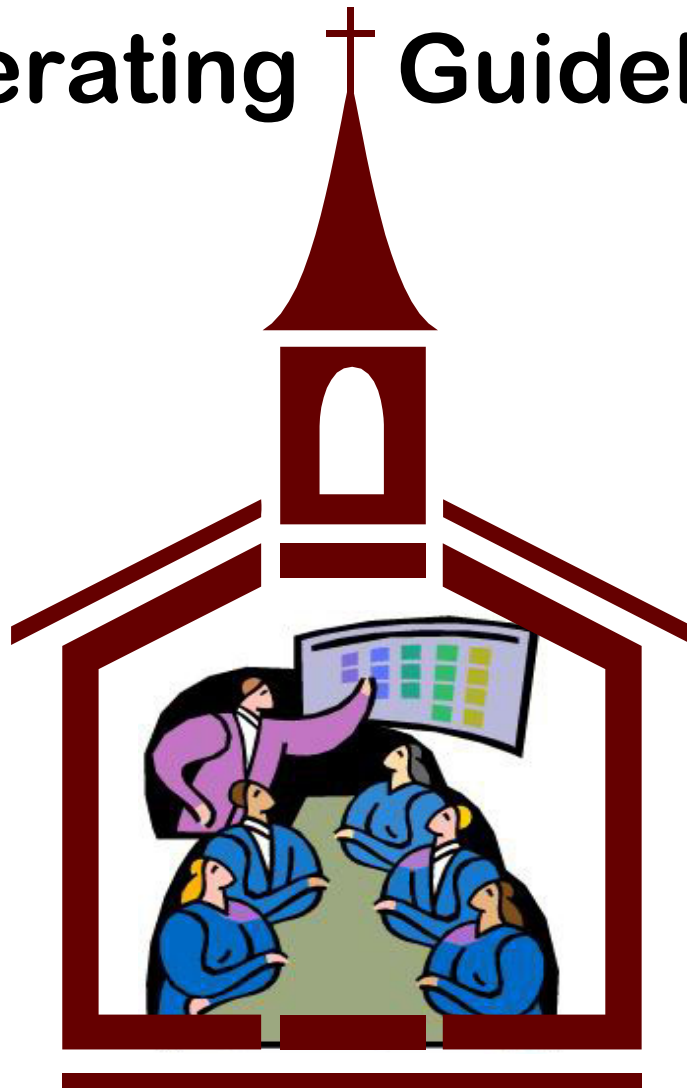


# Parish Finance Council Operating Guidelines



David Allen Zubik



By the Grace of God and the Authority of the Apostolic See  
Bishop of Green Bay

**DECREE**

Christ has entrusted the Church with the stewardship of temporal goods to provide for divine worship, to carry out the mission to spread the Gospel, to care for the poor, and to provide for the support of clergy and lay ministers. In each parish, there is to be a Finance Council to assist the Pastor in the administration of the temporal goods of the parish (c. 537). To foster the important assistance that Parish Finance Councils gives to Pastors, the following Parish Finance Council Operating Guidelines have been developed.

Thus, in accord with canon 8, §2, I hereby promulgate as particular law for the Diocese of Green Bay, the following Parish Finance Council Operating Guidelines, effective August 15, 2007.

Given at the Chancery of the Diocese of Green Bay on July 17, 2007.

*+ David A. Zubik*

Most Reverend David A. Zubik  
Bishop of Green Bay

*John M. Douple*  
Vicar General and Chancellor

## Table of Contents

<b>I.</b>	<b>PURPOSE AND NATURE .....</b>	<b>2</b>
<b>II.</b>	<b>SPECIFIC RESPONSIBILITIES .....</b>	<b>2</b>
<b>III.</b>	<b>ROLES AND RELATIONSHIPS .....</b>	<b>4</b>
<b>IV.</b>	<b>MEMBERSHIP.....</b>	<b>5</b>
<b>V.</b>	<b>ORGANIZATIONAL STRUCTURE.....</b>	<b>6</b>
<b>VI.</b>	<b>DECISION MAKING .....</b>	<b>6</b>
<b>VII.</b>	<b>COMMITTEES.....</b>	<b>7</b>
<b>VIII.</b>	<b>TRUSTEES &amp; THE PARISH CORPORATION .....</b>	<b>8</b>

To order additional copies: contact Stewardship & Pastoral Services Department at 920-272-8310 or 877-500-3580 ext 8310 from area codes 715 and 920, or email [pastserv@gbdioc.org](mailto:pastserv@gbdioc.org)

## **Parish Finance Council - Operating Guidelines Diocese of Green Bay**

### **I. Purpose and Nature**

- A. General Purpose** - To assist the pastor/administrator/parish director in the wise stewardship of the material gifts entrusted by God to the parish in support of the mission of the parish and broader Church.
- B. Canon Law** - Canon 537 of the Code of Canon Law states “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.”

### **II. Specific Responsibilities**

Keeping in mind the policies and procedures of the Church, the consultative role of the council, as well as civil law, the finance council’s areas of responsibility include the following:

- A. Accounting System** - Utilizing the diocesan chart of accounts, overseeing the accounting system for the parish and the keeping of financial records. This includes:
  - 1. The collection and recording of **revenues**, their safekeeping and use
  - 2. The recording and payment of all **debts/expenditures** in accord with an approved budget
- B. Budget Preparation** - Oversees the creation of an annual budget in accord with the mission, goals, priorities and plans as recommended by the Pastoral Council and approved by the pastor/administrator/parish director. The budget process should be a collaborative process that involves those responsible for parish programs and organizations. The budget may include charitable donations to worthy causes.
- C. Financial Reporting**
  - 1. **Quarterly** if not monthly, an analysis of income and expenditures in light of budget projections for the pastor/administrator/parish director, finance council, trustees and other appropriate parish staff and leaders.

2. **Annually** - Assures that an understandable annual financial report is made to parishioners.

3. **Diocesan** - Ensures that required reports are sent to the diocese.

**D. Internal Controls** - Following diocesan guidelines, ensures that financial procedures and internal controls are in place for the oversight of cash and financial accounts, including petty cash management, check writing, offertory collection and counting systems.

### **E. Fund-Raising & Management**

1. **Revenue Enhancement** - Where present, works in close collaboration with the parish stewardship committee in making recommendations for the generation of revenue in support of the overall mission of the parish.

2. **Fund-Raising** - Oversees and coordinates all fund-raising within the parish. This includes fund-raising done by parish service organizations and various educational entities. This includes oversight for the authorization and use of the parish tax exempt number.

3. **Asset Management** - Monitors the investment of monies in accord with diocesan norms. This would include funds held in checking accounts, savings accounts, and long term investments.

### **F. Property Management & Safekeeping**

1. **Buildings and Grounds** - Oversees the day to day and long-range maintenance of parish buildings and grounds.

2. **Building and Renovation** - Ensures the following of diocesan policies and secures necessary approvals for significant building and renovation projects. Note that permission of the diocese is required for any building project in excess of \$100,000 via what is known as the "proxy process". A detailed explanation of this process is available on request and on the diocesan website.

3. **Cemetery** - When present, oversees the fiscal management, the day-to-day and long-range maintenance of parish cemetery in accord with diocesan guidelines and civil laws. A detailed outline of diocesan policies and procedures entitled "Parish Cemetery Module" is available on the diocesan website and on request

- 4. Inventory of Goods** - Maintains an accurate and detailed inventory of the parish goods and resources, along with a description and appraisal of them.
  - 5. Insurances** - Is familiar with and annually reviews the diocesan insurance package for parish properties and liabilities. Assists in the development and communication of risk management policies and procedures.
- G. Labor Practices** - Monitors the observance of diocesan personnel policies as well as civil laws pertaining to labor and the conduct of business in addition to the observance of church social teachings in employment and compensation of workers.
- H. Request for Proxies** - Certain parish financial transactions require a vote of the board of the civil parish corporation: the Bishop, Pastor, Vicar General, and the two parish trustees. A “proxy” enables the Bishop and Vicar General to cast their vote without attending the meeting. The finance council assures that the necessary proxies are obtained. Contact the diocesan website, the department of Buildings and Properties or the department of Stewardship and Pastoral Services for copies of diocesan proxy policies for transactions that require a proxy and the procedure for obtaining one.

### **III. Roles and Relationships**

- A. Pastor/Administrator/Parish Director** - The finance council is to assist the pastor/administrator/parish director in the administration of the parish. The pastor/administrator/parish director is to give serious consideration to the advice and wisdom of the finance council especially concerning major changes in the operation of the parish. Ideally, through prayer and dialogue, good decisions for the good of the entire parish are made. However, following consultation, if consensus is not possible, the final decision rests with the pastor/administrator/parish director.
- B. Parish Staff** - Should have input concerning budget preparation. Staff members cannot be members of the finance council. May act as resource persons assisting the work of the finance council.
- C. Pastoral Council** - Working in close collaboration with the pastor/administrator/parish director, staff and other parish leaders, the Pastoral Council discerns the directions, and priorities that will advance the mission and life of the parish. It is the responsibility of the finance council to translate these visions and priorities into a workable budget. When there is a significant change in the financial status of the parish, before taking action, the finance council, working with the pastor/administrator/parish director, should consult with the Pastoral Council.

- D. Parish Boards, Committees, Service Organizations** - Working with appropriate parish staff and leadership, these groups assist in the development and approval of an annual budget for their organization. These groups are also required to submit financial reports at least annually, but preferably on a monthly or quarterly basis.
- E. Total Parish Community** - The finance council is responsible to provide an annual financial report to the parishioners. In addition, if feasible, when faced with a major concern, all members of the parish should have an opportunity to learn about the issue and have input before action is taken.

#### **IV. Membership**

- A. Size** - It is recommended that the finance council consist of 5-7 people including the pastor/administrator/parish director and the treasurer-trustee of the parish.
- B. Qualifications** - Members should have expertise in the areas of business, accounting, administration, the law, insurance, personnel, facility maintenance and management, as well as represent a cross section of the parish community. Furthermore they should:
- Be confirmed practicing Catholics, and,
  - Be able to attend meetings of the council as well as participate in appropriate continuing education opportunities.
- C. Terms** - Terms are three years, staggered terms beginning July 1 of the year. A member may be appointed for another three-year term for a total of six consecutive years. Following one year of absence from the council a former member may then be reappointed for another three-year term.
- D. Appointment Process** - In consultation with the existing members of the finance council, input from other appropriate staff members and parish leaders, with the exception of the treasurer-trustee (who must be elected) the pastor/administrator/parish director appoints all members of the finance council. A replacement member appointed by the pastor/administrator/parish director can be appointed for two additional three-year terms.
- E. Vacancies** - When a member leaves the council, prior to the conclusion of his or her term, the pastor/administrator/parish director should appoint a replacement to serve the remainder of the departing member's term.
- F. Staff** - Members of the parish staff may act as resource persons and assist the work of the council, but cannot be members.

**G. Conflict of Interest** - Immediate family members of parish employees shall not serve on the finance council. Should other conflicts of interest arise, the member affected should advise members of the council accordingly and absent him or herself from the discussion or decision making.

## **V. Organizational Structure**

### **A. Meetings**

- 1. Frequency** - Monthly meetings are strongly recommended. However, there should be a minimum of four meetings per year.
- 2. With Pastoral Council** - At least one meeting per year should be with the Pastoral Council to jointly review the proposed budget for the coming year in light of the parish mission, needs and priorities.
- 3. Open Meetings** - All parishioners are welcome and should be provided an opportunity to address the council.
- 4. Executive Session** - As needs dictate, with the support of the pastor/administrator/parish director, the finance council may go into executive session to deal with sensitive issues that may come before the council. During such executive session, only the members of the finance council shall be present.

**B. Officers of the Finance Council** - With the support and direct involvement of the pastor/administrator/parish director, the following officers of the finance council with their respective responsibilities are selected among members of the council.

- 1. Chairperson** - works closely with the pastor/administrator/parish director or his/her staff delegate, in advance of meetings to prepare agendas and ensure the dissemination of background information and chairs meetings.
- 2. Vice - Chairperson** - serves in the absence of the chairperson.
- 3. Secretary** - Takes minutes, ensures their dissemination prior to the next meeting and ensures that a file of all minutes is maintained in the parish office for a minimum of three years.

## **VI. Decision Making**

**A. In Faith & Prayer** - All meetings of the council should be preceded by quality prayer time, so that members might be open to the guidance of the Holy Spirit in their deliberations.



- B. In Consultation with Pastor/Administrator/Parish Director -** Recommendations of the finance council are made to the pastor/administrator/parish director in a spirit of prayerful dialogue and mutually respectful discussion. After such interaction, the final decision to accept or reject a recommendation rests with the pastor/administrator/parish director.
- C. In Absence of Pastor/Parish Director -** In those exceptional instances when the pastor/administrator/parish director is not in attendance at a meeting of the finance council, no action recommended by the finance council at its meeting may be undertaken, without a subsequent review and approval of the action by the pastor/administrator/parish director.
- D. Consensus Decision Making -** Members of the finance council shall carry out decision making based on affirmation by a clear majority, respect for minority concerns and a commitment to support a decision by all, once a consensus is achieved.
- E. Assistance -** In those exceptional circumstances when agreement between the pastor/administrator/parish director and finance council are not possible concerning a significant issue, with the permission of the pastor/administrator/parish director, a review of the issue by the Pastoral Council may be helpful.

## **VII. Committees**

While it will vary from parish to parish, the following are recommended sub-committees of the finance council. Similar to the finance council all, committees of the council are consultative to the pastor/administrator/parish director.

- A. Buildings & Grounds -** A sub-committee that is concerned with the physical upkeep, maintenance and development of parish buildings and grounds.
- B. Cemetery -** Maintains the parish cemetery including the development of policies and procedures, maintenance, and preparation and monitoring of an annual budget.
- C. Internal Controls -** Ensures financial procedures for the oversight of cash, financial accounts, petty cash management, disbursements, offertory collections, and counting systems for the parish, Scrip, specific fund raising events, education programs and all service organizations. This includes at a minimum the quarterly review of all year-to-date financial reports as compared to previous years and balance sheets to monitor the financial position of the parish and its related organizations.

- D. Scrip Audit Review** - Ensures the use of diocesan policies on Scrip management including the handling, accounting for, recording of Scrip sales, inventory, deposits and expenditures.
- E. Stewardship** - While not a sub-committee, the finance council works closely with this committee especially in development of efforts that enhance the generous financial sharing of parishioners while supporting efforts to promote Stewardship as a Way of Life marked by prayer, service and generous financial sharing.

### **VIII. Trustees & The Parish Corporation**

Catholic parishes in the State of Wisconsin are incorporated under Wisconsin Statutes Sec. 187.19. The parish corporation is a civil body with legal standing. The parish corporation administers all the temporal matters that are affected by civil law such as when the parish acquires property, sells property, executes a building or remodeling project, investment management, and lends or borrows money. This also includes oversight of the temporal matters of parish organizations as well as the parish cemetery.

- A. Membership** - The “members” of the parish corporation consist of the Bishop of the Diocese of Green Bay, Vicar General of the diocese, pastor and two elected lay members of the parish who are referred to as the Secretary and Treasurer Lay Trustees.
- B. Lay Trustees** - By civil law, two Lay Trustees must be elected by members of the parish congregation and approved by the bishop. A Lay Trustee holds office for a term of two years. In the case of an unanticipated vacancy, the pastor/administrator can appoint a new trustee with the approval of the bishop. There is no legal limit to the number of terms a lay trustee may serve. However, a parish may place a limit on the number of terms. The diocese strongly recommends that parishes establish a limit of three terms for lay trustees with the possibility of reelection following one year of absence from this office. The signatures of the pastor/administrator/parish director and one of the lay trustees is required on all parish checks. The Treasurer Lay Trustee is also a member of the Finance Council while the Secretary Lay Trustee is also a member of the Parish Pastoral Council.
- C. Relationship to Parish and Finance Councils** - The corporation plays a role in the life of the parish when there is a designated real estate or financial action recommended by the pastor/administrator after consultation with the Parish Pastoral Council and the Finance Council. The parish corporation is a legally recognized entity according to state law that allows the parish to enter into such contracts or agreements.
- D. Budget Approval** - The pastor/administrator/parish director and both trustees must review and approve the annual parish budget.

- E. Annual Parish Meeting** - Annually one meeting of the parish must be designated and so recorded in the parish records as the annual parish meeting. The canonical pastor and both Lay Trustees should be present for this meeting. An annual parish finance report must be presented as part of this meeting. The meeting requirement can also be satisfied through a special open parish meeting, or by designating and publicizing a special meeting of the Parish Pastoral Council or other meeting of parish leaders and parishioners as the annual meeting.
- F. Additional Guidelines** - A detailed set of guidelines for parish Corporations and job descriptions for trustees are available on the diocesan web site or can be secured by contacting the department of Stewardship and Pastoral Services in the Diocese of Green Bay.

**Stewardship & Pastoral Services  
Diocese of Green Bay  
1825 Riverside Dr  
PO Box 23825  
Green Bay WI 54305-3825  
920-272-8310 or 877-500-3580 ext 8310 from area codes 715 and 920  
pastserv@gbdioc.org  
www.gbdioc.org**