

THE CATHOLIC DIOCESE OF WICHITA

GUIDELINES FOR PARISH FINANCE COUNCILS



A. MANDATE AND ROLE:

The Code of Canon Law (Canons 537, 1280) mandates a Parish Finance Council in each parish, consisting of the pastor and at least two advisors.

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 the temporal goods (material possessions) of the parish.

The pastor represents the parish in all administrative respects and is ultimately responsible for legal, financial, and administrative matters of the parish in accordance with the norms issued by the diocesan bishop.

The members of the Parish Finance Council are to be provided access to all records and documents relating to financial status and operations of the parish. The pastor is to consult the Parish Finance Council concerning any major and or minor commitment of parish funds in accordance with diocesan norms.



The role of the Parish Finance Council is to assist and advise the pastor in overseeing and controlling the financial affairs of the parish. The Parish Finance Council is accountable to the pastor who has the responsibility for final decisions. It is to be understood that if the advice of the Parish Finance Council is unanimous on a given matter, the pastor will give serious consideration to the recommendation and not lightly reject it.

An Annual Report of Temporal Status (Annual parish financial statement) is to be prepared in accordance with diocesan format and remitted to the Chancery on or before each July 31. It is to be carefully reviewed and signed by the pastor and members of the parish finance council.

B. RELATIONSHIPS:

The relationship between the pastor and the finance council is one advisory, support and collaboration. The finance council is an advisory body to the pastor and he should consult them over matters that relate to the temporal goods of the parish.

By virtue of his office, the pastor presides over the Parish Finance Council. In this capacity the pastor may choose to appoint or through some process select a chairperson from the council membership.



C. MEMBERSHIP AND STRUCTURE:

Members of the Council shall be appointed by the pastor and must be active stewards of the parish. An election process, although not advisable, may be held as long as those who are nominated to be elected are deemed, through some appropriate screening process, to be qualified to serve as members of the Council.

Members should be skilled in business and have certain expertise in management, financial, accounting, legal, development or related fields. The membership of the Council cannot include anyone who could have a conflict of interest from such affiliation, nor can any parish staff member or any relative of the pastor be a member.

Each Parish Finance Council should consist of the pastor and no less than two additional members. Generally the size of the Council will be governed by the wishes of the pastor and the scope of assigned functions.

It is suggested that it would be most desirable for members to serve for a period of three to five years on some staggered rotation basis to provide for new membership and to ensure continuity.

A limitation to the number of consecutive terms to be served may be set if deemed appropriate. In the event of resignations or removal from the council by the pastor for a just cause, the replacements would assume the remainder of the term of the replaced member(s).

The pastor or the selected chairperson is to chair all meetings. If the pastor cannot attend, the meeting must not take place or must only take place with the pastor's permission.

For purposes of recording and maintaining files of the actions taken at all Parish Finance Council meetings, it is suggested that the pastor either select a recording secretary from within the membership of the council or take action to have one elected from the Council membership.

In recognition of the overall mandate and role of the parish finance council, it is advisable for the Finance Council to be represented on the Parish Pastoral Council and perhaps equally advisable for the chairperson of the Parish Pastoral Council to be a designated member of the parish finance council.



D. FUNCTIONS:

The pastor is responsible for financial operations of the parish. It should be an annual practice, in support of the mission of each parish / school, to prepare balanced operating budgets in consultation with the Parish Finance Council.

The pastor should also develop in consultation with the Parish Finance Council an annual capital expenditures budget which provides for the necessary funding resources.

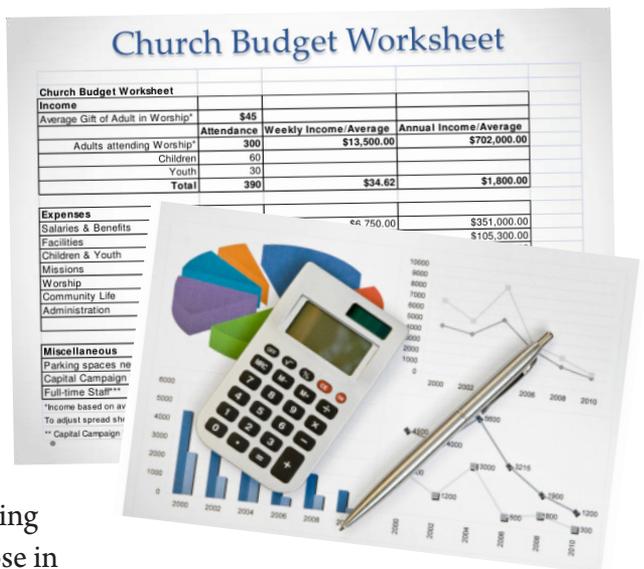
The actual income and expenditures of the parish should be compared monthly and reviewed with the Parish Finance Council at least quarterly.

In general the functions of the Parish Finance Council may include but not limited to the following:

- Provide parishioners with an approved budget and periodic financial statements, at least annually, but recommended quarterly.
- Establish a timeline for budget preparation and implementation by the parish / school.
- Review, recommend and advise the pastor relative to proposed operating and capital budgets.



- Review significant budget variances and develop a plan of action, if necessary, to correct the problem(s) or amend the budget.
- Review proposed expenditures that are not included in the parish / school budget.
- Review and recommend approval or disapproval of proposed budgets from individual parish organizations having substantial sources of income (i.e. Men's Club, Women's Club, Boosters, etc.) Financial statements for these organizations and activities shall be submitted to the Parish Finance Council at least annually.
- Ascertain that the parish follows the diocesan uniform chart of accounts to facilitate reporting to parishioners, the Parish Finance Council, and the Diocese.
- Assure that the parish is following established diocesan policies and guidelines.
- Ascertain that the parish maintains adequate internal accounting controls and those in accordance with diocesan norms.



- Ascertain that all employees are being paid in the spirit of justice and in accordance with all required federal and state payroll procedures and required reporting.
- Ascertain that all eligible employees are informed, invited and afforded the opportunity to participate, in full compliance with the law, in the employee benefits provided by the diocese on behalf of diocesan / parish employees.
- Ascertain that any and all those being paid or representing themselves as independent contractors are truly operating as such in accordance with the Fair Labor Standards Act (FLSA).
- Ascertain that all parish accounts with financial institutions are included on the annual parish financial report submitted to the Chancery.
- Study and monitor the trends and adequacy of parish resources to support parish / school operations.
- Design, implement and facilitate a periodic process (recommended on a quarterly basis) of notifying, thanking and the sharing with parishioners of any concerns relative to contributions or lack thereof. This exercise may require the development of a series of letters addressing a variety of parishioner contribution circumstances.
- Consider the use of youth contribution envelopes as a method of teaching and instilling the treasure aspect of stewardship.
- In collaboration with the Parish Pastoral Council and Parish Stewardship Council, assist in the education of parishioners in regards to the totality of living a life-long stewardship way-of-life.

- Review all banking and financial institutional arrangements, bookkeeping procedures, capital expenditures and contracts of a fiscal nature subject to diocesan regulations. Make recommendations for improvements or changes subject to diocesan policies and / or guidelines.
- Advise and counsel the pastor in financial as well as current and long-range budgeting aspects of managing, caring, maintenance and replacement of parish buildings and equipment.
- Review, advise and counsel the pastor relative to property and liability insurance coverage in accordance with diocesan administered programs and related risk management requirements.

E. MEETINGS:

The Parish Finance Council shall normally meet on a monthly basis but certainly no less than quarterly. For parishes with schools, a monthly meeting of the Parish Finance Council is encouraged. The pastor may call special meetings when and if necessary.

There shall be kept on file a written record of actions taken at Parish Finance Council Meetings.



FINANCE OFFICE
CATHOLIC DIOCESE OF WICHITA
424 N. BROADWAY
WICHITA, KANSAS 67202

316-269-3900
316-269-3902 FAX

CATHOLICDIOCESEOFWICHITA.ORG

