

## NORMS FOR PARISH FINANCE COUNCILS

In the 1983 Code of Canon Law, the Church required each parish to organize a Parish Finance Council. Canon #537 of the Code states the following:

*In each parish there is to be a finance council to assist the pastor in the administration of parish temporal matters. It is ruled by universal law and by the norms laid down by the Diocesan Bishop, and it is comprised of members of the Faithful selected according to these norms.*

An active, well-formed Parish Finance Council (PFC) is a key element for promoting the financial health of a parish, assuring accountability and assisting the pastor with his temporal responsibilities.

The Parish Finance Council is a mandated body having an advisory and consultative role with the pastor in providing oversight of the financial management of the parish, with respect to the administration of all material goods belonging to the parish, and all fiscal matters of the parish, within the limits of the Code of Canon Law and the directives of the diocesan Bishop. Major responsibilities include providing input and review of the annual parish budget and periodic financial statements; review internal controls and procedures and planning for the temporal needs of the parish.

The PFC shall offer its technical expertise to the Parish Pastoral Council on fiscal matters. One member will be elected by the PFC or appointed by the pastor to be an ex-officio, non-voting member of the Parish Pastoral Council.

In keeping with the directives of the Code of Canon Law, the Diocese of Harrisburg mandates the following for the organization and operation of a Parish Finance Council:

### MEMBERSHIP

- ◆ The PFC should consist of no less than three (3) members who are chosen based on demonstrable skills or expertise in management, finance, and accounting. Members should be drawn from the parish community and reflect its diversity. This requirement may be waived if special expertise is sought. A quorum shall consist of the majority of members. It is recommended that the PFC have an odd number of members and that, except for unusual circumstances, membership be capped at no more than nine (9) voting members. No parish employee or member of the family of an employee or relative of the pastor may serve on the PFC. It is also recommended that no member should serve on the PFC at the same time as a closely related person (e.g. husband and wife/mother and son...).
- ◆ There should be a Chairperson and Secretary for the PFC. The pastor will appoint the Chairperson after a period of discernment. The Secretary is responsible for recording and distributing the minutes of the meetings and notifying members of upcoming meetings as well as any other information pertinent to the function of the Council.
- ◆ Parish employees are not members of the PFC; they are staff and support to it. They should be available to answer questions regarding parish life, financial reporting and internal controls. The parish Business Manager should attend meetings in a consultative, non-voting capacity. Likewise, other staff members may be invited to enhance the discussion, should Council discusses their areas of responsibility.

- ◆ Members are to be appointed by the pastor for fixed terms to be determined at the local level, and may be reappointed or terminated by the pastor at the pastor's sole discretion. It is suggested that reappointments are limited to a specific period of time. It may be helpful to stagger the terms so that there is a continuity of service and no disruption to the function of the PFC.

### MEETINGS

- ◆ To be effective, meetings should be scheduled at least once a quarter, or more frequently, if required. Meeting times and dates should be predictable, such as the day and week of each month. The pastor must be present at PFC meetings.
- ◆ There should be a specific agenda and Council members should have access to all relevant financial information of the parish.
- ◆ Meeting agendas should be prepared in advance of the meeting, in consultation between the pastor and the Chairperson of the PFC. The agenda should list major items for discussion. Supplying information in advance to members will lead to more productive meetings. Minutes of all meetings should be recorded by the Secretary to the Council and archived as part of the parish permanent record.
- ◆ Members should maintain confidentiality on those matters designated as confidential. PFC meetings are typically not open to the parish community. The primary purpose of the PFC is to provide open and honest advice to the pastor. If the meetings occurred in a public forum, the discussion may be too limited.

### SPECIFIC DUTIES

- ◆ The PFC shall assist the pastor in the preparation of a yearly budget of income and expenditures and will bring the budget to the Parish Pastoral Council for their review and information. This budget is to be prepared at least two months prior to the beginning of each fiscal year.
- ◆ The PFC should review the annual parish budget and parish annual report. After review, the chairperson of the PFC is to co-sign each report before it is submitted to the diocesan bishop through
- ◆ The Council shall be charged with the responsibility of assuring that there is adequate revenue to meet expenses. To this end, the Council shall review the parish income and expense budget report on at least a quarterly basis.
- ◆ The Council shall assist the pastor in preparation of an annual financial report of income and expenditure for dissemination to the parishioners. This financial statement shall be distributed to the parishioners no later than ninety (90) days following the close of each fiscal year.
- ◆ The Council shall be responsible for as much segregation of conflicting financial duties among volunteers as possible, such that no one individual handles a financial transaction from beginning to end.
- ◆ The Council shall verify that all parish and organization checking accounts are reconciled monthly and that the pastor receives a copy of each organization's monthly bank statement, as well as a quarterly statement of its income and expenses.

- ◆ The Council shall periodically review petty cash expenditures for appropriateness and proper disbursement procedures.
- ◆ The Council shall ensure that those counting offertory monies are rotated on a periodic basis, as part of its role in developing and monitoring proper fiscal controls for parish financial operations.
- ◆ The Council shall assist the pastor in assuring that the following fiscal functions are performed:
  - Timely deposit and recording of income.
  - Timely submission of vendor invoices for payment.
  - Timely payment of debt interest and principal.
  - Investment of surplus funds with the Diocese.
- ◆ To advise and assist the pastor in the fulfillment of all pertinent norms and mandates of the Canons in Book V of the Code of Canon Law (regarding Ecclesiastical Goods).

### ADDENDUM

It is understood that a parish or mission with less than three-hundred (300) souls may request a possible deviation from these Finance Council Policies. Such a request shall be made in writing and directed to the Office of the Bishop.

Approved July 25, 1984  
 Revised November, 1996  
 Revised July 11, 2005  
 Revised April 29, 2013

*Fostering Stewardship in Sacred Places and Spaces, Diocese of Harrisburg,*  
 Project Planning and Construction Procedures Manual, 2010  
 is available on the diocesan website at [www.hbgdiocese.org](http://www.hbgdiocese.org)

*Diocese of Harrisburg Guidelines and Procedures for Parish Financial Management, 2013,*  
 are available on the Diocesan Intranet

### ADDITIONAL RESOURCES

- Center for Applied Research the Apostolate (CARA) 202.687.8080; Website: [www.CARA@georgetown.edu](http://www.CARA@georgetown.edu)
- Liguori Publications; Website: [www.liguori.org](http://www.liguori.org)
- Our Sunday Visitor, 1.800.348.2440; Website: [www.osv.com](http://www.osv.com)
- St. Anthony Messenger Press, 1.800.488.0488; Website: [www.americancatholic.org](http://www.americancatholic.org)
- The Liturgical Press 1.800.858.5450; Website: [www.litpress.org](http://www.litpress.org)
- The Paulist Press, 1.800.218.1903; Website: [www.paulistpress.com](http://www.paulistpress.com)
- Twenty-Third Publications, 1.800.321.0411; Website: [www.twentythirdpublications.com](http://www.twentythirdpublications.com)
- USCCB titles, call 1.800.235.8722; Website: [www.usccb.org](http://www.usccb.org)