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## GUIDELINES FOR PARISH FINANCE COUNCILS

### Diocese of Lansing

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The importance of having a Finance Council in each parish is clearly stated in the Code of Canon Law. It reads:

In each parish there is to be a finance committee to help the parish priest in the administration of the goods of the parish . . . It is ruled by the universal law and by the norms laid down by the diocesan bishop, and it is comprised of members of Christ's faithful selected according to these norms. **Can. 537**

It further explains that the existence of this committee does not detract from the parish priest's standing as the one who acts in the name of the parish. However, such a committee provides the parish priest with valuable insight and advice, so that he may act more effectively in the interests of the parish.<sup>1</sup>

Based on the ruling in Canon Law, the Diocese of Lansing has established the following norms for Finance Councils in each of the diocesan parishes.

1. **Each parish of the Diocese of Lansing has a Finance Council. The name of the body is the parish finance council.**

An active Parish finance council in each parish assists in administering the temporal goods of the parish.

2. **The parish finance council is consultative in nature.**

The Parish finance council possesses a consultative voice in administering parish finances. Their work in budget matters is confined to overall parish expenditures; they should not have line item control.

The parish finance council receives direction as to parish priorities from the parish pastoral council.

3. **The parish finance council has the two-fold responsibility to:**
  - serve the Pastor/Pastoral Coordinator and the parish as primary consultants in any financial matter requiring the bishop's approval
  - assist the Pastor/Pastoral Coordinator in:
    - ▶ making administrative decisions and policies in the care of parish finances including parish budgets and annual reports
    - ▶ financial planning, fund raising, and development

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<sup>1</sup> Canon Law: Letter & Spirit: A Practical Guide to the Code of Canon Law. pg. 299.

Canon Law Society of Great Britain and Ireland. Collegeville, MN: The Liturgical Press, 1995.

The pastor/pastoral coordinator convenes the parish finance council so that he/she can share with them the responsibility for the prudent administration of parish financial affairs. Together they assist in formulating policies and procedures for the effective management of parish assets. The council recommends short-term and long-range financial plans in conjunction with parish pastoral council planning. For financial actions requiring the bishop's approval, the bishop will expect the pastor/pastoral coordinator to have first consulted with the parish finance council.

**4. The parish finance council is appointed by the Pastor/Pastoral Coordinator with recommendations from the parish pastoral council. Not more than two persons may serve simultaneously on both the pastoral and finance councils.**

The parish finance council is envisioned as a body of parishioners who possess the charisms essential for their task at hand. Among these desired charisms are:

- ▶ spiritual maturity and love of Christ
- ▶ special competence in financial matters and/or prudent judgment
- ▶ willingness
  - ▶ to offer their time and talent as a Christian service
  - ▶ to assist the pastor/pastoral coordinator in the development and management of the parish's financial resources

These abilities are foundational for the work of the finance council so they can effectively pursue the basic mission of the parish to spread Christ's gospel of love.

Other requirements for membership on the parish finance council include being:

- ▶ a practicing Catholic
- ▶ not a parish employee
- ▶ willing and able to share the responsibilities of administering the temporal goods of the parish

The parish finance council requires a minimum of five (5) members in addition to the pastor/pastoral coordinator. If a parish employs a professional staff person as business manager, he/she should serve as an ex-officio member.

**5. Definite terms are to be established for parish finance council membership.**

It is recommended that a minimum of two or three years per term be specified. In any case, two consecutive terms are considered the maximum time to serve in this capacity.

**6. Prayer is an integral part of parish finance council meetings.**

Shared reflection and prayer are essential for council members to effectively fulfill their responsibilities. Given the responsibility of being good stewards, the finance council is expected to make the best recommendations concerning the use of resources compatible with the mission of the parish. Being open to the guidance of the Holy Spirit will have a positive influence on the recommendations made by the council.

7. **The parish finance council provides initial formation for new members and educational and spiritual growth opportunities for all members.**

An orientation program allows new members to become familiar with the requirements of the council. They are to be assured that they are being appreciated for their contributions to the administration of the parish. A continuing program of study and experience, such as a day of reflection, deepens an understanding of the unity between the spiritual and the temporal.

### **AGENDA ITEMS**

A council member, parish staff, parish committee, or parishioner may request an item be placed on the agenda. This request is to be presented to the pastor/pastoral coordinator along with any pertinent background information regarding the item.

Agenda items are identified as:

- information
- discussion
- decision

Decision items are those calling for a recommendation from the council to the pastor/pastoral coordinator.

### **COUNCIL OFFICERS**

It is recommended that officers for the parish finance council include:

**President:** The pastor/pastoral coordinator is the presiding officer of the council.

This role is assigned by virtue of his/her authority in the parish.

**Chairperson:** A member of the council is elected annually by the council to chair the meetings and appoint committees as needed.

**Vice-Chairperson:** A member of the council is elected annually by the council to chair meetings when the chairperson is unable to attend.

**Secretary:** The secretary provides an accurate record of minutes and sends notification of the scheduled meetings to members seven days in advance. This notification includes minutes of the previous meeting, the agenda, and any documentation relevant to the agenda. The secretary also handles any communication from the parish pastoral council.

**Executive Committee:** The executive committee consists of the president, chairperson, and vice-chairperson. They prepare the monthly council agenda and provide leadership to ensure that the council is faithful in to its responsibilities.

### **ANNUAL FINANCIAL REPORT**

The parish finance council provides an annual financial report for the previous fiscal year and makes it available to all registered parishioners. This report should be designed to clearly and accurately record the receipts and expenditures incurred for parish operations during the specified fiscal year.