

# PARISH FINANCE COMMITTEES

## *GENERAL PRINCIPLES*

1. *The Code on Canon Law (can 537) requires that “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 rule by the universal law and by the norms laid down by the Diocesan Bishop.” The Finance Committee has the right and the responsibility to know the full financial situation of the parish.*

2. The parish priest (or the duly appointed administrator) is the administrator of the goods of the parish (can 532) and the Finance Committee acts in an advisory capacity. At the same time the priest must remember that it is the parishioners who have provided the assets.

3. The parish priest is, therefore, to seek prudent advice from the parishioners and should have reasonable consensus for the major directions of his administration. He is to render an account of the goods given to the parish. (cf can 1827)

4. The parishioners are entitled to express their views and have a duty to support the parish priest in his endeavours for the good of the parish. Through the Finance Committee, the parishioners are to assist the parish priest in administering parish finances, in maintaining parish properties, in planning future capital works, in raising the necessary finances for the operation of the various parish services, and in establishing a framework for greater shared responsibility within parish life.

5. The administration of temporal goods is carried out with the following objectives in mind: celebration of the liturgy; provision of support for the clergy and other ministers; the carrying out of works of the sacred apostolate and of charity. (cf can 1254 #2)

## **MEMBERSHIP**

6. The minimum composition of the Finance Committee shall be:

- a) The parish priest;
- b) The assistant priests;
- c) three members of the parish, elected by the parishioners or chosen by the parish priest;
- d) a person elected from among its members by the parish council/committee, where such exists.

The parish accountant could be a member of the committee, on a consultative basis, and to report on finances, but should not have a vote on issues deliberated upon. Likewise, there might be occasion for the school accountant to be in attendance, but formal membership of the committee is not advisable, but knowledge of parish and school needs and financial capacities should be sought and applied where appropriate.

7. The parish priest determines whether the three members mentioned in 6.c) above are to be elected by the parishioners or chosen by himself. If he decides that any or all are to be elected, he is free to decide the method of election. Members of the Finance Committee are chosen or elected because of their integrity. Some of those chosen should be competent in financial matters. Members are to be committed to the wellbeing of both the parish community and the

Diocese, and must respect the confidentiality of matters brought before them when specified as such. Other competent members may be added to the Committee if, in the judgement of the parish priest, the needs of the parish require a larger number.

8. After three years, members may be re-elected or re-appointed, but some change to the membership of the Committee is to take place over the three years.

9. Dismissal of the committee requires the approval of the local Ordinary, but dismissal of a member for a just cause, may be effected by the parish priest, after consultation of the other members of the committee.

10. If, during the committee's term of office, the parish becomes vacant, the Committee continues in an overseeing advisory capacity. The new parish priest is to establish a new Committee, not excluding members of the previous Committee, within three months of taking office. An Administrator of the parish may, with the approval of the local Ordinary, establish an interim Committee, if necessary. There may be occasions when the School or Parish Accountant is to be in attendance, as knowledge of Parish and School needs should be sought as appropriate.

### **MEETINGS**

11. Meetings of the Finance Committee must be held at least every three months and may be held more often.

12. The parish priest is President of the Finance Committee. He may invite a member of the Committee to act as Chair.

13. A quorum shall consist of two-thirds of the membership.

14. One member of the Committee is to act as secretary and shall be responsible for keeping minutes of the meetings.

### **FUNCTIONS**

15. The Finance Committee shall review the annual budget for the parish and recommend it to the parish priest for adoption.

16. Before forwarding the annual audited Parish Financial Report to the Diocesan Curia, the parish priest is to present a full copy of that Report to a meeting of the Finance Committee.

17. At other meetings of the Committee, the parish priest is to present the totals of income and expenditure at least quarterly, to be prepared by the parish accountant, in the interim specifying major items of expenditure and income, since the last meeting. All accounts relevant to the parish financial report, and any significant fact relating to finances or property should be presented.

18. Any expenditure which, in accordance with diocesan law, requires the permission of the Bishop, must be discussed by the Finance Committee before being submitted to the Bishop by the parish priest. The Committee's opinion is recorded in the submission.

Furthermore, any Church property such as religious artefacts, works of art, furnishings, objects of historical value, etc, is not to be alienated, ie sold or given away, without consulting the Finance Committee and only after valuation by an independent expert. For items valued at over \$1000,

the permission of the Diocesan Bishop is to be sought in writing. Common sense and sensitivity to local history and custom is presumed.

19. The Committee must take an annual review of all parish insurances, with reference to Catholic Church Insurances.

20. The Committee is responsible for ensuring that a suitable annual report concerning parish finances is made available to all parishioners.

21. At the meeting mentioned in 16 above, the parish priest is also to present in writing a report of the Pastoral Revenue of the parish over the preceding twelve months. The Committee shall then present an appropriate report to parishioners.

22. It is the responsibility of the Committee to ensure that, once every five years, a structural engineer is engaged to produce a written report on the state of the foundations, walls, ceilings and roofs of all buildings within the parish erected on land held in the name of the Trustees of the Diocese. This report is to be made available to the Bishop through five yearly submission to the Diocesan Finance Manager's office for review and recording.

23. Any correspondence relating to the Parish Finance Committee is to be signed by the parish priest or parish administrator when communicating with the Diocesan Bishop or Diocesan Business Manager.

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