



NORMS OF THE DIOCESE OF TYLER

Parish Finance Councils

Revised: 10 September 2019

In the administration of the temporal goods of the parish, the pastor is the authoritative representative of the parish (c. 532). Additionally, every parish is required to have a parish finance council to assist with the responsible stewardship of resources, and to be of assistance to the pastor (c. 537). The parish finance council is to adhere to the laws governing the administration of ecclesiastical goods under the *Code of Canon Law* and in accordance with the policies of the Diocese of Tyler. The civil law is also to be carefully observed.

Particular Law

1. A finance council is to be established and operative in every parish (c. 537) and quasi-parish (mission) in the diocese.
2. The pastor is to convoke, preside, set the agenda, consult on matters affecting the administration of the parish, and respond appropriately to the collective wisdom or consensus of the council.
3. The total number of members depends on the size of the parish. The minimum number of members, not including the pastor, is five.
4. There must be at least four meetings annually. There can be more meetings according to the needs and discretion of the pastor.

Guidelines on Parish Finance Councils

In accordance with and complementary to the universal and particular law, the following are established as normative guidelines for the Diocese of Tyler:

1. **Purpose of the Parish Finance Council.** The finance council assists the pastor in the administration of the ecclesiastical goods of the parish. The finance council works closely with the pastor, who is accountable to the bishop for the administration and stewardship of the temporal goods of the parish. Consultation is at the heart of the decision-making process – sharing information, listening, contributing to the discussion, and promoting consensus. The pastor is obligated to consult the finance council on certain matters required by law (see “Specific Responsibilities”).
2. **Membership.** The parish finance council is about the life of a community of faith and, as such, its members should be members of that community of faith. As in other matters, the pastor may use his discretion in the selection of qualified members from the parish community. Members chosen by the pastor are to be truly expert in financial affairs and outstanding in integrity (c. 492 §1). The finance council should draw upon the skills of parishioners who are

knowledgeable in business, law, accounting, and communication. All parishioners are to know the members of the parish finance council, so that the faithful may make known their opinions and needs to the councilors.

The membership is to consist of no less than five members to actively engage in review, discussion, and resolution of matters. Members are to be appointed by the pastor for a term of three years renewable; members may be reappointed for additional terms.

A quorum shall consist of the simple majority of members.

The pastor presides over the parish finance council. In the event of a change in pastors, the finance council and the existing members continue in existence until the new pastor confirms the existing appointments or makes new appointments, preferably within three months of his appointment as pastor.

3. **Chair and Secretary.** From among the members, the pastor will designate a chairperson and a secretary.
4. **Role of Parish Employees.** Parish employees may not serve as voting members of the parish finance council; they are staff and support the parish finance council. Parish employees should be available to answer questions regarding parish programs, accounting, financial reporting, and internal controls. The finance council should be provided relevant information including financial reports for council review.

The parish business manager and/or accountant/bookkeeper should attend meetings in a consultative, non-voting capacity.

5. **Confidentiality.** Members should maintain confidentiality on matters brought before the parish finance council. Parish finance council meetings are not open to the parish community.
6. **Recording of Meeting Minutes and Retention.** Minutes are to be recorded and archived as part of the parish permanent record.
7. **General Responsibilities.** The parish finance council aids the pastor in the administration of parochial goods and in assessing parish needs for present and long-term financial support. Such duties include the following:
 - a. Assist the pastor in monitoring the budget throughout the fiscal year and in advising the pastor in financial matters of parochial administration.
 - b. Assist the pastor in reviewing the monthly or quarterly parish financial statements and monitoring payment of all obligations of the parish.
 - c. Assist the pastor with an ongoing review of internal control procedures.
 - d. Assist the pastor to ensure there is active and informed participation of the parishioners in the Bishop's Annual Appeal and capital campaigns.

- e. Assist the pastor with reporting the parish financial results and the budget to the parishioners on an annual basis.
- f. Assist the pastor through consultation on the construction or renovation of parish facilities, the sale or purchase of parish property, and lease agreements.
- g. Assist the pastor to ensure that the parish buildings and property are adequately maintained.

8. Specific Responsibilities

- a. Assist the pastor in preparing an annual budget of projected income and expenditures before the beginning of each fiscal year, to be presented to the vicar general (c. 1284 §3); the budget is to be signed by the members of the parish finance council before submission.
- b. Review and attest to the accuracy of the annual financial report which is to be presented to the vicar general who will direct it to the diocesan finance office (c. 1287 §1); to review and attest to the accuracy of the annual report to the faithful (c. 1287 §2). These annual financial reports are to be signed by the parish finance councilors before submission.
- c. Advise the pastor before he seeks the written faculty from the local ordinary to perform an act of extraordinary administration on behalf of the parish (c. 1281 §1). By particular law of the Diocese of Tyler, the following are acts of extraordinary administration performed by the pastor:
 - i. Making an extraordinary expenditure (including capital repairs) more than \$10,000 for the purchase of movable goods; an extraordinary expenditure is understood to be anything in excess of \$10,000;
 - ii. Purchasing any real estate or other immovable goods;
 - iii. Erecting a building on church property;
 - iv. Granting an easement on church property;
 - v. Instituting parish financial campaigns, drives, or systems of special collections;
 - vi. Signing any contract related to a capital project that exceeds the financial limits of ordinary administration;
 - vii. Using fixed capital for any reason beyond that to which it was initially dedicated by the donor or competent authority.

- d. Advise the pastor before he seeks permission from the diocesan bishop to alienate stable patrimony belonging to the parish in accord with the norms of universal and particular law (cc. 1291-1292), or enter contractual transactions which may threaten the patrimonial condition of the parish (c. 1295).
- e. Advise the pastor before he enters into contracts involving leases (c. 1297).
- f. The parish finance council is to meet at least once per quarter, and more frequently if required, at times announced in advance by the pastor; the council may never meet without the pastor.

Note: In certain instances, defined by universal or particular law, the pastor is obligated to consult the finance council. Although the pastor is not obliged to follow the recommendations of the finance council, the pastor should not act against such advice, especially when there is consensus, unless there is an overriding reason. In other words, the prudent pastor would not ignore the advice of the finance council unless there was a serious reason to do so. When acting contrary to its recommendations the pastor should provide an explanation.

- 9. **Conflict of Interest.** In the event a parish finance council member becomes aware of any action by the parish that may give rise to a conflict of interest, the member is to report the action or activity to the pastor immediately; if the matter involves the pastor, it is to be reported to the bishop. The matter must be disclosed to the parish finance council as a whole, and a determination of appropriate action must be documented in the minutes as to whether the member must resign from the council or recuse themselves from a particular issue.
- 10. **Fraud and Criminal Activity.** In the event any member of the parish finance council receives a report from someone of suspicion or evidence of fraud, theft, or misuse of parish funds or property, they must report the incident, depending on the nature of the report, to the pastor; if the matter involves the pastor, it is to be reported to the bishop. As required by law, criminal conduct should also be reported to the police.
- 11. **Relationship to Parish Pastoral Council.** Since the parish finance council relates to the administrative responsibilities of the pastor, it should not be a part of the parish pastoral council structure. However, an officer from the parish finance council may serve as an ex-officio member of the parish pastoral council. Communication between the two councils is essential to share information regarding the parish finances and to implement the pastoral plans.