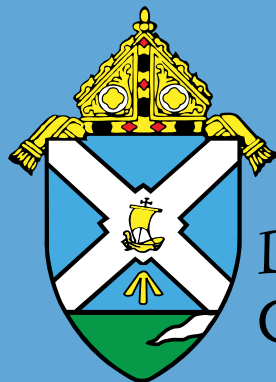




Parish Finance Council Policies



Diocese of
Green Bay

Most Reverend David Laurin Ricken, DD, JCL



By the Grace of God and the Authority of the Apostolic See
Bishop of Green Bay

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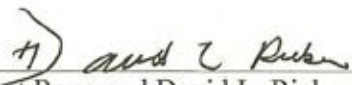
The Church is responsible for the financial resources which have been entrusted to it.

In each parish there is to be a finance council which is governed, in addition to universal law, by norms issued by the diocesan bishop and in which the Christian faithful, selected according to these same norms, are to assist the pastor/(administrator/pastoral leader) in the administration of the goods of the parish. (Canon 537)

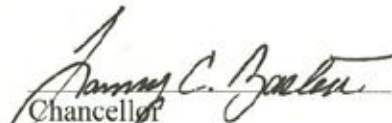
An active, well-formed parish finance council is a key element to the parish and to the diocesan bishop.

Thus, I hereby establish and promulgate the *Parish Finance Council Policies* as particular law for the Diocese of Green Bay, effective July 1, 2015. This manual replaces all previous parish finance council policies.

Given at the Chancery on January 21, 2015.



Most Reverend David L. Ricken, DD, JCL
Bishop of Green Bay



Chancellor

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Diocese of Green Bay**

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For additional information or questions on these policies,
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Parish Finance Council - Policies Diocese of Green Bay

Introduction

The following are the basic policies and procedures for the organization and operation of parish finance councils in the Diocese of Green Bay. Not included in this document are the more specific policies and procedures of the diocese with regard to diocesan and parish fiscal policies, trustees, fundraising, accounting practices, insurances, etc. A detailed listing of these policies and procedures is available at the website for the Diocese of Green Bay at www.gbdioc.org.

I. Purpose and Nature

- A. General Purpose** – To assist the pastor/administrator/pastoral leader in the wise stewardship of the material gifts entrusted by God to the parish in support of the mission of the parish and broader Church.
- B. Canon Law** – Canon 537 of the Code of Canon Law states “In each parish there is to be a finance council which is governed, in addition to universal law, by norms issued by the diocesan bishop and in which the Christian faithful, selected according to these same norms, are to assist the pastor/(administrator/pastoral leader) in the administration of the goods of the parish.”
- C. Civil Law** – The finance council in parishes is required by civil law and operates in compliance with civil laws. Should a situation arise where legal action of any kind is considered, communication and work with diocesan legal counsel is required before any action can be taken.
- D. Minutes** – Minutes should be taken for each council meeting and archived at the parish office. To facilitate communication and transparency, minutes of meetings should be posted and shared with all members of the finance council and with appropriate parish leaders. This may include, but not be limited to, pastoral council and key parish committee and organizational chairpersons, trustees, and staff.

II. Specific Responsibilities

Keeping in mind the policies and procedures of the Church and the consultative role of the council, civil law, the finance council’s areas of responsibility include the following:

A. Accounting System - Utilizing the diocesan chart of accounts, overseeing the accounting system for the parish and the keeping of financial records. This includes:

1. The collection and recording of revenues, their safekeeping and use.
2. The recording and payment of all debts and expenditures in accord with an approved budget.
3. Maintaining an accurate and up-to-date record of parish assets and liabilities.

B. Budget

1. **Preparation** – Oversees the creation of an annual budget in accord with the mission, goals, priorities and plans as recommended by the pastoral council and approved by the pastor/administrator/pastoral leader. The budget process should be a collaborative process that involves those responsible for parish programs and organizations. After parish and diocesan obligations, such as Bishop’s Appeal, Cathedraticum, and school subsidies, are met, the budget may include charitable donations to worthy causes whose activities are not contrary to Church teaching.
2. **Planning** – In accord with the mission, goals priorities and plans of the parish, as recommended by the pastoral council, the finance council should create a 3-5 year fiscal plan for the operation of the parish. This plan at a minimum, should take into account projected income and expenses based on past experience, as well as a review of current and future facility needs.

C. Financial Reporting

1. **Quarterly** - Preferably monthly, provides an analysis of income and expenditures in *comparison to* budget projections for the pastor/parish director, finance council, trustees and other appropriate parish staff and leaders.
2. **Annually** – Assures that a complete and understandable annual financial report is made to parishioners that include an income statement and a balance sheet.
3. **Diocesan** – Ensures that required reports are sent to the diocese in a timely manner. This includes the Annual Financial Information (AFI) Report that is due September 30 or each year for the previous fiscal year ending June 30. This report satisfies the legal oversight responsibilities of

the diocese and is in accordance with U.S. Conference of Catholic Bishops guidelines for fiscal accountability.

D. Internal Controls –

- 1. Fiscal Oversight** - Following diocesan guidelines, ensures that financial procedures for internal controls are in place for the oversight of cash and financial accounts, including petty cash management, offertory collection and counting systems.
- 2. Proxy Process** - Permission of the diocese is required for any loan, or building project in excess of \$100,000, any property sale/acquisition/lease, or any changes to a liturgical space, via what is known as the “proxy process.” A detailed explanation of this process is available on request and on the diocesan web site.

E. Fundraising & Management

- 1. Revenue Enhancement** - Where present, works in close collaboration with the parish stewardship committee in making recommendations for the generation of revenue in support of the overall mission of the parish.
- 2. Fundraising** - Oversees and coordinates all fundraising within the parish in accord with Church Canon Law 1262 and the Diocesan proxy process. This includes fundraising done by parish service organizations and various educational entities. Oversight for the authorization and use of the parish sales tax exempt number is included
- 3. Remission of Funds** – Funds collected for all special collections are to be remitted to the Catholic Foundation within 60 days of their collection.
- 4. Investments** – Monitors the investment of monies in accord with diocesan norms. All parish long term endowments should be within the Catholic Foundation
- 5. Proxy Requirement** – A proxy or permission of the diocese is required before embarking on any fundraising, whether for a building or an endowment when the amount to be raised is in excess of \$100,000 or is equal to two and one half times the amount of the parish’s annual offertory collection

F. Property Management & Safekeeping

- 1. Buildings and Grounds** - Oversees the day to day and long-range maintenance of parish buildings and grounds.

2. **Safety** - Assists in the development and communication of risk management policies and procedures, through a safety committee.
 3. **Building and Renovation** – Ensures the following of diocesan policies and secures necessary approvals for significant building and renovation projects.
 4. **Cemetery** – When present, oversees the fiscal management, the day-to-day and long-range maintenance of the parish cemetery(s) in accord with diocesan guidelines and civil laws. A detailed outline of diocesan policies and procedures entitled “Parish Cemetery Module” is available on the diocesan web site and on request
 5. **Inventory of Goods** – Maintains an accurate and detailed inventory of the parish goods and resources, including Scrip, furniture, fixtures and equipment, along with a description and appraisal of them.
 6. **Insurances** – Is familiar with and annually reviews the diocesan insurance package for parish properties and liabilities.
- G. Personnel** - Monitors the observance of diocesan personnel policies pertaining to labor and the conduct of business in employment and compensation of workers.

III. Roles and Relationships

- A. Pastor/Administrator/Pastoral Leader**– The finance council is to assist the pastor/administrator/pastoral leader in the administration of the parish. The pastor/administrator/pastoral leader is to give serious consideration to the advice and wisdom of the finance council especially concerning major changes in the operation of the parish. Ideally, through prayer and dialogue, good decisions for the good of the entire parish are made. However, following consultation, if consensus is not possible, the final decision rests with the pastor/administrator/pastoral leader. Parishes that have a pastoral coordinator acting in the capacity of the pastor/administrator/pastoral leader should contact the diocesan Department of Ministry Formation for special guidelines.
- B. Parish Staff** – Should have input concerning budget preparation. Parish Staff cannot be members of the finance council. If the pastor/administrator/pastoral leader requests, staff may act as resource persons assisting the work of the finance council.
- C. Pastoral Council** – Working in close collaboration with the pastor/administrator/pastoral leader, staff and other parish leaders, the pastoral council discerns the directions and priorities that will advance the mission and life of the parish. It is the responsibility of the finance council to translate these visions and priorities into a workable budget. When there is a significant change in the financial status

of the parish, before taking action, the finance council, working with the pastor/administrator/pastoral leader, should consult with the pastoral council.

- D. **Parish Boards, Committees, Service Organizations** – Working with appropriate parish staff and leadership, these groups assist in the development and approval of an annual budget for their individual organizations. These groups are also required to submit financial reports, including a balance sheet and income statement, at least annually, but preferably on a monthly or quarterly basis.
- E. **Total Parish Community** – The finance council is responsible to provide an annual report to the parishioners (See II. C-2). In addition, if feasible, when faced with a major concern, all members of the parish should have an opportunity to learn about the issue and have input before action is taken.

IV. Membership

- A. **Size** - It is recommended that the finance council consist of 5-7 people including the pastor/administrator/pastoral leader and the treasurer-trustee of the parish.
- B. **Qualifications** – Members should have expertise in the areas of business, accounting, administration, law, insurance, personnel, facility maintenance, construction or management, as well as represent a cross section of the parish community. Furthermore they should:
 - a. a. Be confirmed practicing Catholics
 - b. b. Be able to attend meetings of the council as well as participate in appropriate continuing education opportunities.
- C. **Terms** – Terms are three years, staggered terms beginning July 1 of the year. A member may be appointed for another three-year term for a total of six consecutive years. Following one year of absence from the council a former member may then be reappointed for another three-year term.
- D. **Appointment Process** – In consultation with the existing members of the finance council, input from other appropriate staff members and parish leaders, the pastor/administrator/pastoral leader appoints all members of the finance council, with the exception of the treasurer-trustee who must be elected. A replacement member appointed by the pastor/administrator/pastoral leader can be appointed for two additional three-year terms.
- E. **Vacancies** – When a member leaves the council, prior to the conclusion of his or her term, the pastor/administrator/pastoral leader should appoint a replacement to serve the remainder of the departing member's term.

F. **Staff** – Members of the parish staff may act as resource persons and assist the work of the council, but cannot be members.

G. **Conflict of Interest** –

1. **Declarations** – Finance council members are expected to act in best interests of the total parish community. Annually at the first meeting of the new fiscal year, each member should clearly state and the minutes reflect, any actual or potential conflicts of interest that members may have. Actual or potential conflicts may be due to family relationships, paid or unpaid business dealings.
2. **Family** –
 - a. No parish employee, full or part time may serve on the council.
 - b. Immediate members of the family of a full or part time parish employee may not serve on the finance council. Immediate family members would include child, spouse, parent or sibling.
 - c. Only one immediate family member can serve on either the finance council or the pastoral council at the same time. Therefore, for example, it is not permissible for a father of a family to serve on the pastoral council while his daughter serves on the finance council.
3. **Business** – In general any person who is personally involved or has an immediate family member who is involved in a business that provides services to the parish should not serve on the finance council. In exceptional circumstances should this situation unexpectedly arise, the council member should disclose the potential conflict of interest, and the pastor/administrator/pastoral leader should welcome basic input from the person, and then invite the person to leave the meeting until such time as the remaining members of the council are able to make a recommendation to the pastor/administrator/pastoral leader on the matter at hand.

V. **Organizational Structure**

A. **Meetings**

1. **Frequency** - Monthly meetings are strongly recommended. However, there should be a minimum of four meetings per year.
2. **With Pastoral Council** - At least one meeting per year should be with the pastoral council to jointly review the proposed budget for the coming year in light of the parish mission, needs and priorities.
3. **Open Meetings** – All parishioners are welcome and should be provided an opportunity to address the council.

4. **Executive Session** – As needs dictate, with the support of the pastor/administrator/pastoral leader, the finance council may go into executive session to deal with sensitive issues that may come before the council.

B. Officers of the Finance Council – With the support and direct involvement of the pastor/administrator/pastoral leader, the following officers with their respective responsibilities are selected.

1. **Chairperson** – works closely with the pastor/administrator/pastoral leader or his/her staff delegate, in advance of meetings to prepare agendas and ensure the dissemination of background information and chairs meetings.
2. **Vice-Chairperson** – serves in the absence of the chairperson.
3. **Secretary** – Takes minutes, ensures their dissemination prior to the next meeting and ensures that a file of all minutes is maintained in the parish office for a minimum of three years.

C. Decision Making

1. **In Faith & Prayer** – All meetings of the council should be preceded by quality prayer time, so that members might be open to the guidance of the Holy Spirit in their deliberations.
2. **In Consultation with Pastor/Administrator/Pastoral Leader**– Recommendations of the finance council are made to the pastor/administrator/pastoral leader in a spirit of prayerful dialogue and mutually respectful discussion. After such interaction, the final decision to accept or act on a recommendation rests with the pastor/administrator/pastoral leader.
3. **In Absence of Pastor/Administrator/Pastoral Leader**– In those exceptional instances when the pastor/administrator/pastoral leader is not in attendance at a meeting of the finance council, no action recommended by the finance council at its meeting may be undertaken, without a subsequent review and approval of the action by the pastor/administrator/pastoral leader.
4. **Consensus Decision Making** – Members of the finance council shall carry out decision making based on affirmation by a clear majority, respectful of minority concerns and a commitment to support a decision by all, once a consensus is achieved.

5. **Assistance** – In those exceptional circumstances when agreement between the pastor/administrator/pastoral leader and finance council are not possible concerning a significant issue, with the permission of the pastor/administrator/ pastoral leader, a review of the issue by the pastoral council may be helpful.

D. **Multiple Parishes**

1. **Consolidated Meetings** - For pastors/administrators/ pastoral leaders who have responsibility for two or more parishes, consideration should be given to meeting with multiple finance councils at the same time and place, beginning with common prayer and common tasks before breaking into individual finance councils. The pastor/administrator/ pastoral leader then rotates from meeting to meeting.
2. **Alternate Meetings** – another option for consideration is the scheduling of meetings of the finance councils on alternate months.
3. **Presence at Meetings** – See section V.C. – 3 for guidelines.
4. **Cooperation and Collaboration** – All finance councils that share a pastor/administrator/pastoral leader are strongly encouraged to cooperate and collaborate with one another.

VI. **Committees**

While it will vary from parish to parish, the following are recommended sub-committees of the finance council.

- A. **Buildings & Grounds** – A sub-committee that is concerned with the physical upkeep, maintenance and development of parish buildings and grounds.
- B. **Safety** – Monitors building safety, personnel safety policies and volunteer oversight to reduce incidences of “slips, trips and falls” by employees, volunteers, parishioners or guests. Works closely with diocese insurance company representatives.
- C. **Cemetery** –Maintains the parish cemetery including the development of policies and procedures, maintenance, and preparation and monitoring of an annual budget.
- D. **Scrip Audit Review** – Ensures that diocesan policies on Scrip management are followed including the handling, accounting for *and* recording of Scrip sales, inventory, deposits and expenditures. All Scrip inventory should be kept in a secure place on parish or school premises.

- E. **Stewardship** – While not a sub-committee, the finance council works closely with this committee especially in development of efforts that enhance the generous financial sharing of parishioners while supporting efforts to promote Stewardship as a Way of Life marked by prayer, service and generous financial sharing.

VII. Trustees & The Parish Corporation

Catholic parishes in the state of Wisconsin are incorporated under Wisconsin Statute Sec. 187.19. The parish corporation is a civil body with legal standing. The parish corporation administers all the temporal matters that are affected by civil law such as when the parish acquires property, sells property, executes a building or remodeling project, investment management, and lends or borrows money. This includes oversight of the temporal matters of parish organizations as well as the parish cemetery.

- A. **Membership** - This body consists of the Bishop of the Diocese of Green Bay, Vicar General of the diocese, pastor and two elected lay members of the parish who are referred to as the secretary and treasurer lay trustees.
- B. **Lay Trustees**
 - 1. **Required Elections** - by civil law, two lay trustees must be elected every two years by members of the parish and approved by the bishop. In the case of an unanticipated vacancy, the pastor can appoint a new trustee with the approval of the bishop.
 - 2. **Terms** - The parish bylaws limit the number of consecutive terms to three, for a total of six (6) consecutive years in office as trustee. Trustees are eligible for reelection following one year of absence from this office.
 - 3. **Check Signing** - The signatures of the pastor and one of the trustees are required on all parish checks.
 - 4. **Memberships** - The treasurer lay trustee is a member of the finance council while the secretary lay trustee is a member of the parish pastoral council.
- C. **Relationship of the Pastoral and Finance Councils** - The parish corporation plays a role in the life of the parish when there is a designated real estate or financial action recommended by the pastor/administrator/pastoral leader after consultation with the pastoral council and the finance council. The parish corporation is a legally recognized entity according to state law that allows the parish to enter into such contracts or agreements.

- D. Budget Approval** - The pastor/administrator/pastoral leader and both trustees must review and approve the annual parish budget.
- E. Annual Parish Meeting** – Annually one meeting of the parish must be designated and so recorded in the parish records as the annual parish meeting. The canonical pastor and both lay trustees should be present for this meeting. An annual parish finance report must be presented as part of this meeting. The meeting requirement can also be satisfied through a special open parish meeting, or by designating and publicizing a special meeting of the pastoral council or other meeting of parish leaders and parishioners as the annual meeting.
- F. Additional Guidelines** - A detailed set of guidelines for parish corporations and job descriptions for trustees are available on the diocesan web site or can be secured by contacting the department of Stewardship and Pastoral Services in the Diocese of Green Bay.

VIII. Parishes with a Pastoral Leader

- A. Proxy Required** – Upon the appointment of a pastoral leader to the parish by the bishop, a proxy request will be executed by the Vicar for Ministers to amend the corporate by-laws for the parish that will enable the pastoral leader to be able to co-sign checks with one of the trustees as outlined in section VII. B. 3 of these policies.
- B. Administration** - In general the pastoral leader maintains the ordinary administration of the parish including the signing of checks (with trustees), budget preparation in concert with the finance council, maintains parish records, submits required reports to the diocese, hires, supervises and, when necessary, terminates staff and volunteers.
- C. Priest Moderator** - Each parish with a pastoral leader also has a priest moderator appointed to it by the bishop. With regard to the work of the finance council, working in close collaboration with the pastoral leader the priest moderator is required to do the following:
 1. Represents the parish in all juridical affairs of the parish such as:
 - a. Requesting proxies
 - b. Signing deeds, bills of sale, promissory notes.
 2. Is the vice president of the parish corporation.
 3. Reviews the annual parish report and budget.
 4. Is to be present for the annual meeting of the parish.
 5. Meets at least once a year with the parish pastoral council and finance council.
 6. Serves as an important advisor to the pastoral leader in issues relating to the parish and the leadership of the pastoral leader.

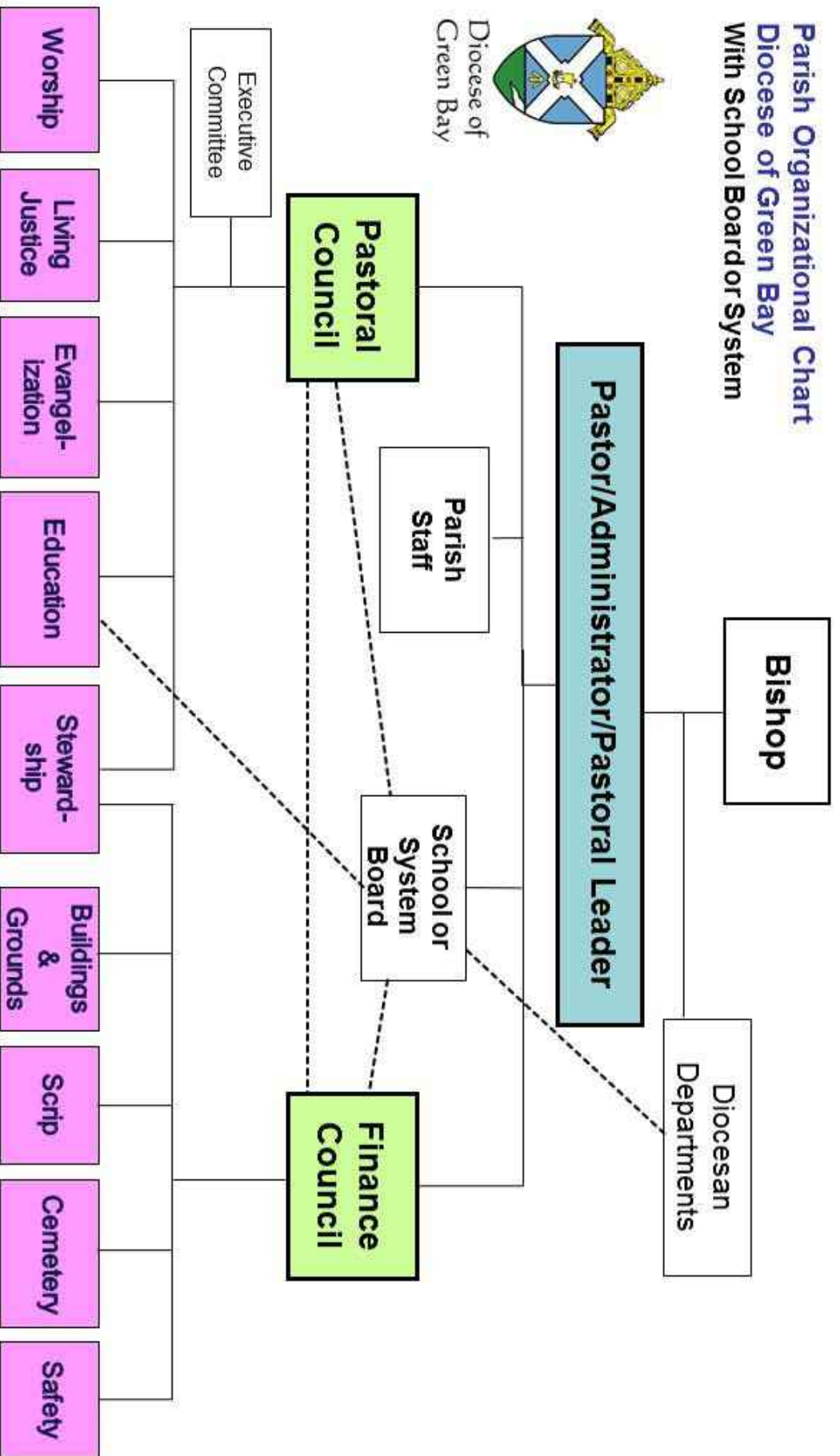
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/SPS/Planning&PC/PoliciesPC-FC

**Parish Organizational Chart
Diocese of Green Bay
With School Board or System**



Diocese of
Green Bay

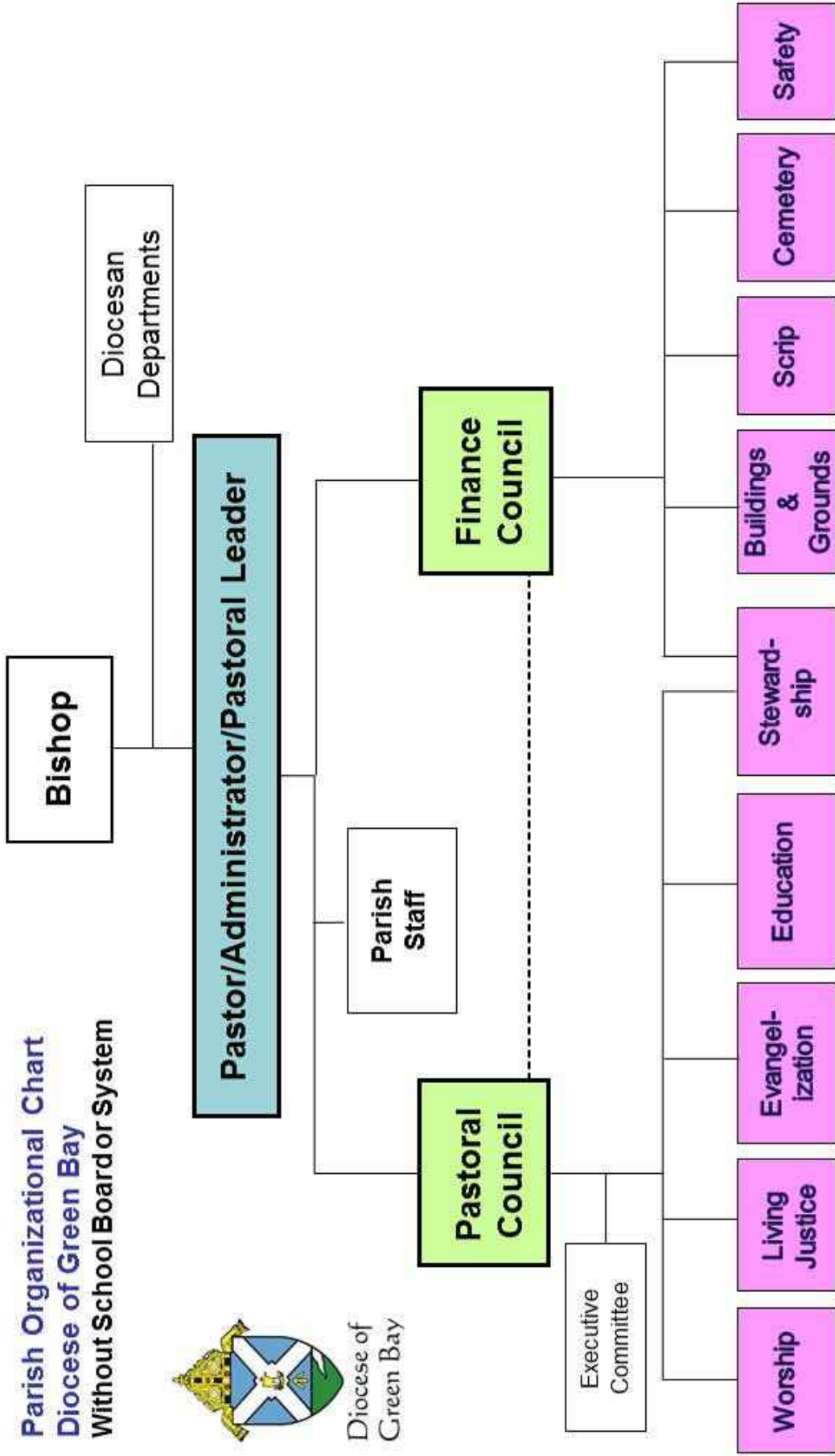


Note: Depending on the size and unique situation of each parish, not all committees listed here will be present in each parish. For example, if the parish does not have a cemetery or a scrip program, the parish would not have these committees. Each parish must have a Pastoral and Finance Council. Though the parish may not have all the committees listed here, the parish should regularly seek to strengthen it's Worship, Living Justice, Evangelization, Education, Stewardship, Building & Grounds and Safety.

**Parish Organizational Chart
Diocese of Green Bay
Without School Board or System**



Diocese of
Green Bay



Note: Depending on the size and unique situation of each parish, not all committees listed here will be present in each parish. For example, if the parish does not have a cemetery or a scrip program, the parish would not have these committees. Each parish must have a Pastoral and Finance Council. Though the parish may not have all the committees listed here, the parish should regularly seek to strengthen its Worship, Living Justice, Evangelization, Education, Stewardship, Building & Grounds and Safety.

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