



DIOCESE OF  
SAN JOSE

## Parish Finance Council Charter

\_\_\_\_\_ Parish

### Parish Finance Council

#### *Canon #537*

*Each parish is to have a finance council which is regulated by universal law as well as by norms issued by the diocesan bishop; in this council the Christian faithful, selected according to the same norms, aid the pastor in the administration of parish goods with due regard for the prescription of canon #532.*

*Canon #532 and Canons #1281-1288 address the responsibilities of the pastor in administering the temporal goods of the parish.*

#### **NAME:**

The name of this body is \_\_\_\_\_ Parish Finance Council.

#### **PURPOSE:**

The Parish Finance Council is established in conformity with the Code of Canon Law and the directives of the Bishop of San Jose to advise and assist the pastor of the parish in all matters pertaining to parish finances.

#### **AUTHORITY:**

The Parish Finance Council is a consultative body to the pastor of the parish.

#### **MEMBERS:**

The Parish Finance Council will be composed of the Pastor, (non-voting attendees: the Parish Administrator, Parish Accountant) and (three to nine) members. Members are appointed by the Pastor after consultation with the Parish Pastoral Council. Members shall be parishioners with knowledge of accounting, finance, budgeting, and/or development.

#### **TERM OF OFFICE:**

Members shall serve for a term of three years. Members will take office on (July 1), and may not serve more than two consecutive terms. Terms will be staggered to ensure continuity.

#### **OFFICERS:**

The Finance Council will elect its own chairperson who shall conduct the council meetings.

**MEETINGS:**

The Finance Council shall meet monthly (quarterly). A record of the Council's recommendations and decisions will be kept in the parish files for future reference. Agendas and materials shall be prepared and distributed prior to meetings.

**RESPONSIBILITIES:**

The Parish Finance Council will

- 1) Advise the pastor on the parish financial operations;
- 2) Assist in the development of the parish budget;
- 3) Regularly review the internal and financial control procedures of the parish;
- 4) Review and approve the annual budget for parish operating and capital expenditures;
- 5) Monitor the budget on a regular basis;
- 6) Regularly review financial reports at least quarterly including balance sheet, income statement, budget to actuals, and cash flow;
- 7) Make recommendations to the pastor on any expenditure in excess of \$10,000;
- 8) Regularly review all activities to ensure that federal, state and local tax considerations are properly handled where applicable;
- 9) Assist the Pastor in accounting for all endowments and restricted gifts at least quarterly;
- 10) Review parish inspection reports or perform the inspections quarterly;
- 11) Prepare a five year asset replacement and maintenance plan;
- 12) Renew the asset and maintenance plan annually to maintain a five year projection of needs;
- 13) Provide regular reports to the Parish Pastoral Council;
- 14) Provide an annual report to parishioners on the financial state of the parish;
- 15) Ensure that all norms of the Diocese are followed in the Parish financial record keeping;
- 16) Perform the annual Parish Financial Self Review and submit the report to the Pastor and to the Diocesan Finance Office;
- 17) Assist in the preparation and review of parish development plan;
- 18) Prepare and sign (chairperson) the Annual Financial Report submitted to the Diocesan Finance Office.