

Diocese of Palm Beach

Parish Finance Councils

Introduction: Since 1983, the Code of Canon Law (c. 537) requires that “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.” This canon makes it clear, however, that the finance council does not substitute for the pastor as the chief administrator and legal representative of the parish’s goods and refers to canon 532 which charges the pastor to care for the parish’s goods and to represent the parish in all juridic affairs.

Application: The finance council serves in a critical advisory and consultative role to the pastor in all business affairs of the parish. It should be memorialized at the parish level through a charter which addresses matters such as its purpose, membership, term of office and vacancies, officers and duties, meetings and voting. An active finance council is an important goal with meetings to be held regularly, at least on a quarterly basis. A record of meetings should be maintained on file documenting the main topics discussed and any votes taken.

Responsible financial management requires that the finance council, in concert with the pastor, maintain vigorous oversight of the financial affairs of the parish. Together, they should regularly oversee the accounting function and its work product including budgets and financial statements reflecting income and expenses, parish savings and indebtedness. They should regularly evaluate operating and capital requirements, as well as assess the condition of the physical plant and plan for improvements.

Internal controls, which are vital to the effective and efficient operations of the parish, normally rely to a large extent on the adequate separation of accounting duties among staff personnel. However, with limited staff or an accounting staff of one, such separation may be difficult to achieve. Under these circumstances, the pastor and finance council can compensate for such a deficiency through diligent oversight.

Finally, the finance council should assist the pastor in the regular reporting of the parish financial results. A comprehensive report is an important element of accountability and transparency and is required to be submitted to the Pastoral Center on a quarterly basis and to the parish community as a whole at least annually.