

Holy Family Parish
Finance Committee Guidelines
Approved 2-19-2020

Canon Law requires each parish to have a Finance Council. The role of the Finance Council is to advise the Pastor / Pastoral Administrator, and Parish Council in matters of finance and in decisions regarding the temporal goods of the parish. It is separate from the Parish Council, and directly accountable to the Pastor / Pastoral Administrator.

The following guidelines are established for Holy Family Parish Finance Council to allow for the consistent application of policies and procedures through time, and through personnel changes. These are intended to promote transparency and inclusiveness, which in turn will serve to build trust and credibility among all members of the parish.

All Holy Family Finance Council Guidelines are, and must be, in compliance with Canon Law, Archdiocesan policies, and in agreement with any guidelines of the Parish Council which oversees the Holy Family Parish as a whole.

All discussions and activities of the Holy Family Parish Finance Council are considered to be advisory, or consultative in nature, in that the administration of the parish lies solely in the properly assigned Pastor / Pastoral Administrator, appointed by the Archbishop.

All guidelines and policies of the Finance Council are, and must be, in accordance with Generally Accepted Accounting Principles (GAAP), Archdiocesan Finance and Audit policies, procedures, and protocols, and subject to Archdiocesan Audit, whether on a scheduled basis, or on immediate notice upon proper authorization or request.

All members of the Finance Council are expected to be in full compliance with both the spirit, and the specifics of these guidelines.

Holy Family Parish Finance Council Guidelines are as follows:

- 1) Holy Family Parish will have a Finance Council as required by Canon Law.**
- 2) The Finance Council will consist of the Pastor / Pastoral Administrator, and an odd number of at-large members, numbering at least three, but with preference to a greater number so as to be broadly representative of the parish. These members should be skilled in financial affairs or civil law. To minimize the possibility of conflicts of interest, Finance Council members should not hold leadership office in other parish organizations or serve on the Parish Council at the same time. The Parish Financial Manager / Bookkeeper is a non-voting member, and serves at the request of the Pastor / Pastoral Administrator.**
- 3) All members shall be clearly identified, recognizable, and publicized to all members of the parish with appropriate contact information provided.**

4) All at-large members of the Finance Council are voting members, advisory to the Pastor / Pastoral Administrator. The Parish Financial Manager / Bookkeeper is a non-voting member.

5) The Council shall elect one at-large member to serve as Chair of the Council, one at-large member to serve as Secretary of the Council, and one at-large member to Chair a separate and independent Audit Committee which has reporting responsibility to the Pastor / Pastoral Administrator. This Audit Committee should conduct the Internal Control Audit annually.

6) New members will be solicited as needed, by an ad hoc nominating committee appointed by the Chair. The ad hoc committee shall submit their recommendations to the committee for approval of nomination.

7) The Finance Council will meet monthly, on a pre-arranged, regular schedule, broadly known, and publicized. (the current schedule is to meet on the third Wednesday of every month at 6:15 p.m. in the Brennen Room) Additional special meetings may be called if deemed necessary to address urgent concerns. All voting and approvals should occur within regularly scheduled meetings, but may, if necessary be conducted via phone, or electronic communication.

8) The Finance Council, with due respect to individual rights and privacy, shall operate in an environment of inclusivity, transparency, openness, honesty, and full-disclosure on all matters relative to the financial matters of the parish. Conversations and discussions within the committee should be based on appropriate decorum, with all matters of personnel, personal traits, private information, or other sensitive issues held in confidence.

9) The Finance Council shall oversee, and have access to all financial aspects of the parish, including all journal entries, financial statements, payment records, charges, accounts, and any other relevant information that would have any bearing whatsoever on the financial position of the Parish.

10) The Finance Council will establish timelines, offer guidance, and oversee all matters of the annual budget process, which provides for on-going multi-year management of the financial direction of the Parish. The Finance Council must approve a balanced budget for submission to the Parish Council by the end of April of each year for the upcoming fiscal year. (July 1 through June 30 each year)

11) The Finance Council shall oversee budgets, monitor spending, review monthly financial reports and examine comparisons to budget of all parish organizations, and the overall parish performance.

12) The Finance Council will communicate regularly with parishioners by providing six-month updates, with consistent summaries of Income, Expenses, and Balance Sheet activities. A written update will be provided mid-year by posting in the bulletin. At the

close of each fiscal year, a comprehensive report will be presented orally during masses, printed in the bulletin, along with a written report mailed directly to parishioners. This report should include a summary of the Financial Statements for the fiscal year just ended.

13) The Finance Council will review collections, fundraising, charitable gaming, bank reconciliations, and any other records necessary to insure adequate accountability and successful fulfillment of financial goals.

14) The Finance Council shall conduct long-range planning, including recommendations based on economic climate and financial trends with regard to debt management, investments, insurance, and other fiscal matters.

15) The Finance Council should provide guidance for ongoing oversight of maintenance of all physical plant facilities and assets including new construction, expansions, renovations, and demolitions.

16) The Finance Council shall provide for the appropriate protection of parish assets including oversight of inventories, equipment, facilities, and to provide adequate levels of insurance coverage.

17) Finance Council should be consulted in advance when possible, but in all cases be informed in a timely manner with detailed information regarding all unbudgeted expenditures exceeding \$1,000.

18) When considering expenditures greater than \$5,000, a minimum of three written estimates from reputable contractors / service providers should be submitted to the Finance Council for their consideration and recommendation.

19) All expenditures in excess of \$5,000 shall be examined for treatment as expense or capitalization. If capitalized, depreciation should be applied over a reasonable time period.

20) All expenditures greater than \$20,000 must be submitted to the Archdiocese for approval from the Archbishop.

21) The Finance Council will ensure that all bequests from parishioners with restricted purposes are administered in accordance with the donor's wishes. A permanent file should be established for each case.

22) The Finance Council shall ensure compliance with all local, state, and federal laws and regulations, in particular as they relate to tax-exempt status, gaming, and personnel policies.

23) Minutes shall be kept by the Secretary for all meetings of the Finance Council. Minutes will be provided to all members for their review. After approval, they will be shared with Parish Council members and made available to parishioners upon request.