

Diocese of Covington

Policies & Procedures Manual

Section: Compliance – Accounting

Policy: Budgeting



All parishes, schools and diocesan institutions are to prepare an annual budget. This budget should be a realistic forecast for expected revenue and expenses for the next fiscal year beginning July 1st. The budget should be reviewed and recommended by the Parish Finance Council and/or the Parish Pastoral Council. The budget is to be approved by the Pastor of the parish.

Deficit budgets should be avoided for obvious reasons. However, simply increasing budgeted revenue or decreasing budgeted expenses isn't the answer to a deficit budget. It is of paramount importance that a budget be realistically attainable. Any approved deficit budget must have a plan as to how the deficit will be funded.

Most accounting software packages have budget preparation modules that can be used to assist the budget preparation process.

Parishes should contact the Diocesan Finance Office if they need additional resources in preparing a parish budget.