

## Diocese of Covington

Policies & Procedures Manual

Section: Compliance – Other

Policy: Finance Council

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[Canon 537](#) requires each parish to have a Finance Council. The role of the Finance Council is to advise the pastor and Parish Council in matters of finance and the administration of parish goods. It usually functions separately from, but in conjunction with, the Parish Council which is the consultative body to the pastor in discerning how to meet the needs of the parish as a whole. At least one member of the Parish Council must be a member of the Parish Finance Council.

### Membership of the Finance Council

In addition to the pastor, the Finance Council should consist of three to seven members of the parish who are skilled in financial affairs or civil law. Members should be persons of high integrity. In the event a particular parish does not have qualified persons who are willing to serve on the Finance Council, the pastor should consult with adjoining parishes for assistance in appointing persons to serve as regular members of the council. Membership should be appointed for a term of three years, with membership renewable for one additional term.

### Meetings

Meetings of the Finance Council should be held monthly or as determined by the pastor, but no less than quarterly. Each member is required to maintain confidentiality on those matters designated as confidential.

The pastor is to select a secretary of the Council who is responsible for recording minutes of the meetings. These minutes are to be forwarded to the pastor for approval and for distribution to the other members. Copies of the minutes are to be maintained in a permanent file of the parish.

### Duties and Responsibilities

The functions of the Parish Finance Council, in consultation with the pastor, are as follows:

- Ensure adherence to diocesan financial policies and procedures.
- Review parish and parish organization financial reports compared to budget.
- Review, approve and sign the year-end report submitted to the bishop.
- Ensure communication of financial information to all parish members at least on an annual basis.
- Prepare parish annual budget in collaboration with the pastor, Parish Pastoral Council, and other appropriate parties.
- Assist in the ongoing maintenance of all physical plant facilities and all expansion and reconstruction or demolition. Ensure inventory of parish goods is up-to-date and that insurance coverage is adequate. Review and advise pastor on all [extraordinary expenditures](#).
- Ensure that bequests/gifts with restricted purposes that are received by the parish are administered in accordance with the donor's wishes. Ensure that a permanent file on such gifts is maintained.
- Ensure that parish tax-exempt status is maintained through compliance with federal, state, and local laws, statutes, and regulations.
- Ensure that parish employment and personnel policies conform to both Church and civil law.
- Ensure that special collections mandated for the diocese are announced in advance, taken-up and forwarded to the diocese within thirty (30) days.

Recommendations of this Council are regulated by Church Law, by decision and norms of the Bishop and the Diocesan Finance Council.