



## **Finance Council Statutes**

**As amended in December 2016**

### **Purpose:**

In accordance with the Code of Canon Law of the Roman Catholic Church, Canon 492 requires that the Archbishop establish a Finance Council of the Christian Faithful who are experienced in finance, civil law and general business matters and who are persons outstanding in integrity. The Diocesan Finance Council is to provide assistance and guidance to the Archbishop of Atlanta in the administration of the temporal goods of the Archdiocese of Atlanta.

### **Responsibilities:**

The Finance Council prepares each year, according to the directions of the Archbishop, a budget of the income and expenditure which are foreseen for the entire governance of the diocese in the coming year and at the end of the year examines an account of the revenues and expenditures (c. 493).

The following decisions of the Archbishop require his consulting with the Finance Council:

- The imposition of a moderate tax on public juridic persons subject to the Archbishop's authority (c. 1263);
- The imposition of an extraordinary tax on other juridic and physical persons (c. 1263);
- The performance of more important acts of administration (c. 1277);
- The determination of limits of ordinary administration of those subject to the Archbishop (c. 1281 §2);
- The designation of appropriate investment strategies for goods assigned to an endowment (c. 1305);
- The diminishment of obligations arising from a foundation when their fulfillment becomes impossible (c. 1310 §2);
- Before selecting or removing the diocesan finance officer (c. 494 §§1-2)

The following decisions of the Archbishop require the consent of the Finance Council:

- The performance of acts of extraordinary administration (c. 1277);
- The alienation of property beyond a stipulated amount determined by the conference of bishops (c. 1292 §1);
- The completion of any transaction, in addition to alienation, which could worsen the financial condition of the archdiocese (c. 1295).

The Finance Council may be consulted and carry out any other matter given to it by the Archbishop.

These statutes may be amended by a majority vote of the Finance Council and the approval of the Archbishop.

## **Membership:**

**Type of Members:** The Archbishop shall appoint a minimum of three and a maximum of fifteen members to the Finance Council. No more than ten (10) of these may be members of the laity. Up to five (5) members may be clerics, with at least one cleric holding the office of Vicar General. Appointing (priests or deacons) having full-time assignments outside Archdiocesan Administration positions is suggested. The Archbishop may consult the Finance Council prior to any appointment (c. 492).

**Term of Membership:** Each Finance Council member shall be appointed for a term of five (5) years, renewable for additional five (5) year terms (c. 492 §2).

**Resignation:** A member may submit her or his resignation to the Archbishop for consideration. The Archbishop must accept the resignation for it to be effective.

**Removal:** The Archbishop may remove any member from their position for a just cause (c. 193 §3) which shall include, but is not limited to, absence from three consecutive Finance Council meetings without reasonable justification.

**Vacancy:** Should a member resign or be removed prior to the expiration of her or his term, the Archbishop may appoint another qualified person to fulfill the remainder of the original holders term of appointment.

**Conflicts of Interest:** All members of the Finance Council or its subcommittees shall comply with the Conflict of Interest Policy adopted by the Finance Council. Failure to do so will be grounds for removal from the appointment and may lead to limits of indemnification.

**Indemnification:** The Archdiocese of Atlanta shall indemnify any person who has or is a party or is threatened to be made a party to any threatened, pending or completed legal action, suit or proceeding whether civil, criminal, administrative or investigative by reason that the person is a member of the Finance Council of the Archdiocese of Atlanta.

## **Officers:**

The Archbishop shall preside over the Finance Council. The Archbishop shall designate members of the Finance Council to serve as Chair and Vice-chair. It shall be the responsibility of the Chair to coordinate the activities of the Finance Council Committees and plan the meetings of the Finance Council with the assistance of the Vice-Chair.

## **Meetings**

**Frequency:** The Finance Council shall meet at least quarterly and more often as appropriate.

**Notice of Meeting:** Written notice of the date, time and place of all meetings shall be given to all members at least five (5) business days prior to each meeting. Such notice may be sent by regular mail, email or facsimile to each member at his address as shown by the records of the Finance Council. It is the responsibility of the member to keep the Finance Council informed of her or his current address.

**Quorum Defined:** A simple majority of the total number of members shall constitute a quorum at any meeting of the Finance Council. No business may be conducted unless the Archbishop or the Vicar General is present.

**Presence by Telephone:** A member who cannot be physically present may be deemed present and voting if s/he calls into the meeting by telephone at the beginning and remains present throughout the length of the meeting.

**Minutes:** Written minutes of all Finance Council meetings shall be maintained. Any vote regarding specific items of advice or consent as noted in the Responsibilities section of this document shall include a roll call record of the votes of all members in attendance and at least a summary of the discussion regarding the matter prior to the vote. All minutes shall be maintained in the Archdiocesan archive.

## Committees

**Standing Committees:** There will be six standing committees for the Finance Council which shall be:

- Audit
- Projects Review
- Budget and Operations
- Insurance and Benefits
- Investment
- Compensation

**Membership:** The Archbishop shall designate all members of each committee. The chair of the Finance Council shall sit *ex officio* as a member of all committees. All committees shall be chaired by a member of the Finance Committee. Other committee members may be drawn from qualified members of the clergy or laity, some of whom may not be members of the Finance Council. These members have no vote on the Finance Council, but do possess a vote on the committee to which they are appointed. These members sit at the pleasure of the Archbishop and may be changed at any time for any reason.

**Committee Chair Responsibilities:** The committee chair will be responsible for scheduling and organizing committee meetings, delegating responsibilities to other committee members or liaisons and reporting the committee's activities to the full Finance Council. Each committee charge listed in this document should be addressed annually unless otherwise noted.

**Meetings:** All committees shall meet at least annually and more frequently if deemed necessary by the committee chair. Each committee may determine its own rules of procedure in keeping with the Finance Committee by-laws.

**Minutes:** All committees must keep records of its actions and proceedings. These must be reported to the full Finance Council at the next regularly scheduled meeting.

**Staff Liaison:** The Archbishop shall designate a member of the Archdiocesan management staff to serve as the liaison to each committee. The liaison shall serve as a resource for the committee to accumulate data and statistics, clarify policy, provide historical perspective, management insight, define the involvement of other consultative bodies, etc. and serve as the recorder of minutes for that committee.

**Other Committees:** With the consent of the Archbishop, the Finance Council may create temporary committees designated for specific purposes. No such committee may exist for more than one year without a specific vote for its continuance by the Finance Committee.

## **Audit Committee:**

**Membership:** This committee shall be composed of at least three members with the chair being a member of the Finance Council. All committee charges are to be completed on an annual basis. The chair is responsible for reporting to the Finance Council regarding the Audit Committee's findings on any matter.

### **Charge:**

- To review and approve the annual financial statements of the Archdiocese and other entities which report to the Archbishop. All significant financial reporting issues are to be communicated to the Finance Council;
- To annually make recommendations regarding the appointment of independent public accountants and their fees;
- To annually make recommendations to the Finance Council with respect to the scope of the audit conducted by the independent public accountants;
- To annually review all recommendations made by the independent public accountants of the Archdiocese with respect to the accounting methods used and the system of internal control observed, and to advise the Finance Council of significant issues;
- To periodically review the funding of the internal audit function of the Archdiocese;
- To meet with the internal auditors at the regular meeting of the committee and review the internal audits of the parishes and schools that the auditors bring to their attention when there are problems;
- To monitor the adherence to the formalities required of corporations and structures created under civil law; and
- To address any other matter referred to it by the Archbishop or the Finance Council.

## **Projects Review Committee:**

**Membership:** This committee shall be composed of at least three members with the chair being a member of the Finance Council. The chair is responsible for reporting to the Finance Council regarding the Project Review Committee's findings on any matter. This committee shall meet at least quarterly. Due to the urgency where some projects need approval between meetings, conference call meetings are permitted. The results of these meetings are to be reported at the next Finance Council meeting. Any approvals by phone will need the approval of the Archbishop.

### **Charge:**

- To make recommendations to the Finance Council and the Archbishop regarding the alienation of property in accord with the limits established by the Episcopal Conference;
- To review the proposed acquisition of real estate and major development and construction projects so the Finance Council can properly advise the Archbishop prior to the approval of the project;
- To advise the Archbishop on loans to Parishes and other institutions; and
- To address any other matter referred to it by the Archbishop or the Finance Council.

## **Budget and Operations Committee:**

**Membership:** This committee shall be composed of at least three members with the chair being a member of the Finance Council. The chair is responsible for reporting to the Finance Council regarding the Budget and Operations committee's findings on any matter. This committee shall meet at least quarterly.

### **Charge:**

- To review and recommend approval of, the annual budget of the Archdiocese to the Archbishop and the Finance Council;
- To review the results of annual operations of the Parishes and all other significant entities under the direction of the Archbishop. Any recommendations generated from the review process shall be made to the Finance Council;
- To review the property, liability, workmen's compensation and automobile insurance programs of the Archdiocese;
- To annually make a recommendation regarding the appointment of legal counsel for the Archdiocese, with an appropriate review of past performance if available;
- To review and annually make recommendations regarding banking relationships for the Archdiocese;
- To review current financial results and recommend corrective actions where appropriate; and
- To address any other matter referred to it by the Archbishop or the Finance Council.

## **Insurance and Benefits Committee:**

**Membership:** This committee shall be composed of at least three members with the chair being a member of the Finance Council. The chair is responsible for reporting to the Finance Council regarding the Insurance and Benefits committee's findings on any matter. This committee shall meet at least annually.

### **Charge:**

- To review benefit levels including, but not limited to, retirement benefits, medical and life insurance, long-term disability and such other benefits as may be appropriate; and
- To address any other matter referred to it by the Archbishop or the Finance Council.

## **Investment Committee:**

**Membership:** This committee shall be composed of at least three members with the chair being a member of the Finance Council. The chair is responsible for reporting to the Finance Council regarding the Investment committee's findings on any matter. This committee shall meet at least quarterly.

### **Charge:**

- To review investment performance of the invested assets under the control of the Archbishop and make recommendations to the Finance Council as appropriate;
- To recommend investment policy guidelines, the investment allocation ratio, selection of investment managers and investment consultants and such other duties as may be related to the management of the endowment and retirement funds; and
- To address any other matter referred to it by the Archbishop or the Finance Council.

## **Compensation Committee:**

**Membership:** This committee shall be composed of not less than three members, two of which must be current members of the Finance Council and with the chair being a member of the Finance Council. The chair is responsible for reporting to the Finance Council. In the event of a vacancy in Committee membership, the Committee shall be considered to be properly constituted until the Archbishop acts to fill the vacancy so long as there are at least two Committee Members. Members will be appointed by the Archbishop in consultation with the Chair of the Finance Council.

### **Charge:**

- To review and make recommendations to the Archbishop regarding compensation for all members of the Secretariat and other executives with salaries in excess of \$100,000 per year, hereinafter referred to as "Specified Employees".
- The Committee has the authority to request that any clergy, officer or management employee attend a meeting of the Committee or to meet with any Member(s) of the Committee. The Committee will have authority to recommend to the Archbishop the total cash compensation, perquisites, and any other compensatory arrangements for all Specified Employees with annual cash compensation over \$100,000; after consultation with the Chief Financial Officer, Director of Human Resources, and Chief Operating Officer
- The Committee will be provided with resources including salary information from the most current National Diocesan Salary Survey (comprehensive edition) developed by the National Association of Church Personnel Administrators ("NACPA"). Additional non-profit data developed by Columbia Books and Association Trends may be provided upon request through the Director of Human Resources. The Committee in consultation with the Chief Financial Officer may engage consultants or other outside resources to fulfill its responsibilities if necessary.
- To address any other matter referred to it by the Archbishop or the Finance Council.