

**ROMAN CATHOLIC  
ARCHDIOCESE OF ATLANTA  
PARISH FINANCE COUNCIL GUIDELINES**

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## INTRODUCTION AND BACKGROUND

These guidelines are designed to aid pastors, treasurers, and finance council members in the effective functioning of a Parish Finance Council (“Finance Council” or “Council”), which is to support the pastor in his stewardship of parish resources while being accountable to the parish and the archbishop. An active, well-formed Finance Council is a key element in promoting the financial health of a parish, assuring accountability and transparency, and assisting the pastor with his responsibility for the temporal affairs of the parish.

In the administration of temporal goods of the parish, Canon 532 defines the role of the pastor as the authoritative representative of the parish:

“The pastor represents the parish in all juridic affairs in accord with the norm of law; he is to see to it that the goods of the parish are administered in accord with the norms of Canons 1281- 1288.”<sup>(1)</sup>

Canon 537 establishes the Finance Council as a mandated body having an advisory and consultative role with the pastor:

“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 with due regard for the prescription of Canon 532.”

So, every parish is required to have a Finance Council. In addition, the decree of the Synod of the Archdiocese of Atlanta, 1966, mandates as particular law a Finance Council in each parish. Also, the Archbishop issues norms and policies from time to time which state the expectations he has for temporal administration so that pastors and parishes can comply with his wishes. This document is an attempt to furnish the “norms” referenced in Canon 537.

## COMPETENCE & EFFECTIVENESS

Under Canon Law, the pastor has responsibility for parish financial and temporal management<sup>(1)</sup>, and is required to make an annual report to the archbishop [can. 1287, #1]. The Finance Council is a consultative body that assists the pastor in meeting these obligations. It does not have decision-making authority. Consultation, however, is at the heart of the decision-making process—sharing information, listening, contributing to the discussion, and promoting consensus.

The pastor is not obliged to follow the recommendations of the Finance Council, but it would be unwise to act against such advice, especially when there is consensus, unless there is an overriding reason. Common sense would say that, when acting contrary to its recommendations, the pastor should provide an explanation of the reasons for his decision.

Note: Full texts of Canons 1281-1288 may be found in Appendix 1 to this document.

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<sup>1</sup> See canons 528 through 535 for a fuller listing of the pastor’s responsibilities.

In order to be effective in fulfilling their responsibilities as members of the Finance Council, members should have a love for the Church as well as a thorough understanding and working knowledge of the parish's mission, goals, structure, demographics, and other resources. It is the pastor's responsibility to give the members appropriate background and enrichment as well as appropriate access to financial data and supporting information. New members should be given an orientation to their role and education that supports their work, including the provision of these *Parish Finance Council Guidelines*; archdiocesan statutes and policies regarding temporal issues and other financial matters; and any parish internal-controls and financial policies, personnel policies, administrative policies, and Finance Council policies. Council members should be given clear performance expectations and be held accountable for attendance at meetings, participation in stewardship activities, committee service, and involvement in ministry program activities, as applicable.

## MEMBERSHIP

The Finance Council is about the life of a community of faith, so its members ordinarily should be practicing Catholics. The pastor uses his discretion in selecting reputable, qualified members from the parish community. Since the Finance Council is advisory to the pastor, it is inappropriate for him to be listed as a "member," but he should be present at its meetings. To the extent possible, Parochial Vicars should be invited to attend meetings in a non-voting capacity as a way of exposing them to the administration of the temporalities of the parish. Ideally, members should have a limited term to provide for both continuity and rotation.

### 1. Representation

Members should be selected from the parish community and reflect its diversity. Where appropriate, outside advice and counsel may also be engaged to obtain needed specific expertise.

Members should be chosen based on skills or expertise in management and/or finance. Skill sets to consider include business, law, accounting, human resources, non-profit management, and communications. Additionally, persons with professional knowledge and experience in banking, computer systems, fundraisers, marketing, property management, engineering, construction, maintenance, and purchasing could also make significant contributions and should be recruited when available. Expertise of the Council membership can vary widely, to include for example, a business executive, accountant, lawyer, and small business owner. Prospective members should have demonstrated financial and business management backgrounds. The unique talents within the parish community should be sought. A parish Time, Talent, and Treasure survey may be helpful in identifying parishioners having the desired skills and willingness to serve.

### 2. Number of Members

The Council should have an odd number of members, with a minimum of three. It would be wise to have no more than nine voting members, to prevent its operations from becoming unwieldy. Since it is an advisory body, a quorum (i.e., simple majority of members) is not required for meetings. However, for consultation on matters of greater importance, it is wise to ensure that a majority of the members is present.

### 3. Officers

The Finance Council officers shall consist of at least a Chairperson and a Secretary. The Chairperson will preside in a parliamentary manner at all meetings and, in consultation with the pastor, will be responsible for selecting the time and location of meetings, preparing and providing the meeting agenda in advance of the meeting, and any other duties assigned by the pastor or the Council (USCCB).

A Secretary should be appointed to record minutes summarizing the items discussed and the decisions reached.

### 4. Conflicts of Interest

Finance Council members owe the parish a duty of loyalty that requires them to act in the interest of the parish rather than in their own personal interest or that of another person or organization. In particular, the duty of loyalty requires a member to avoid conflicts of interest that are detrimental to the parish (USCCB).

Anyone who may have a conflict of interest in view of other services, either paid or unpaid, rendered to the parish by themselves, a member of their family, or their business is ineligible to serve as a member of the Council. Likewise, no person should serve on the Council at the same time as a closely related person (e.g., husband and wife, parent and child, etc.) (USCCB).

No parish employee, family member of an employee, or relative of the pastor or any Parochial Vicars may serve on the Council, but they may assist in an advisory capacity.

Members of the Finance Council may serve the parish in other volunteer roles, including on other committees or boards, if, in the judgment of the pastor, such dual service would not create conflict-of-interest situations.

### 5. Role of Parish Employee

Parish employees and, in smaller parishes, volunteers who perform the roles of an employee, are not members of the Finance Council; however, they serve as staff to support the Finance Council and should be available to answer questions regarding parish programs, accounting, financial reporting, and internal controls. The Finance Council should be provided relevant and timely information, including financial reports (i.e., balance sheet and income statement with budget-to-actual and historical-periods comparisons, cash-flow statements, debt-service schedules, investment schedules, reconciliations, and status reports on fundraising activities, all as applicable) to review in a format that facilitates efficient analysis. The parish Accountant, Business Manager or Bookkeeper should normally attend meetings in a consultative, non-voting capacity. Likewise, when parish buildings and grounds are to be discussed, it is appropriate for staff responsible for these functions to attend the meeting. When the Finance Council seeks the input of a parish staff member, the circumstances must ensure that the employee will not be in a position to exercise undue influence (Leadership Roundtable Best Practices).

## 6. Terms

Members should be appointed for fixed terms and may be reappointed to an additional term or terminated in this role by the pastor at his discretion. For example, a parish might adopt a term of three years, renewable once. It is helpful to stagger the terms so that there is continuity of service and no disruption to the function of the Finance Council. Vacancies by reason of death, resignation or inability to serve due to other cause should be filled through appointment by the pastor for the remainder of the original term.

If the pastor is incapacitated or reassigned, the Finance Council should continue working for the benefit of the parish, to provide continuity throughout the transition. The newly assigned pastor has the option of confirming the membership of the Council or recreating it. Ordinarily, however, it would be unwise simply to dismiss the members without having worked with them for a period of at least some months.

Since it is consultative to the pastor, ordinarily the Council should not meet in the absence of the pastor or his designated person. However, if it becomes evident that the pastor is missing meetings unduly and without an apparently valid cause, the members of the Council have a duty to notify the Archdiocese or a Vicar General.

The pastor would always retain the right to remove a member of the Finance Council prior to the expiration of his or her term of appointment. Ideally, removal should always be for cause (e.g., missing a majority of the meetings).

## MEETING PROTOCOLS

### 1. Scheduled Meetings

Meetings should be scheduled in advance for a specified period, typically a year. Meetings should be held at least quarterly. More frequent meetings are an option, especially if local circumstances dictate it. As the purpose of the Finance Council is to provide advice and support to the pastor, the pastor or his designated person should be present at all Finance Council meetings.

### 2. Use of Agendas and Review Materials

An agenda should be prepared in advance of the meeting by consultation between the pastor and Finance Council Chairperson. The agenda should include approval of the minutes from the previous meeting, review of monthly or quarterly financial statements, and the major items for discussion. Supplying information in advance to members will lead to more productive meetings.

### 3. Recording of Meeting Minutes

Minutes should be recorded by the Council Secretary, circulated among the members for their review, and officially accepted by majority vote. They should be permanently retained in the parish archives. Minutes should include attendance and a summary of discussions that took place, including proposals and decisions made. Minutes should be made available to parish members (Leadership Roundtable, Best Practices).

#### 4. Confidentiality

Members are obliged to maintain confidentiality on those matters designated as confidential, including individual employee salaries and parishioner contributions. Materials designated as confidential should not be disclosed to others. Violation of this confidentiality would be a cause for dismissal of a member.

#### 5. Communications

It is appropriate to keep the entire parish community informed of major issues. In fact, it is a requirement of Canon Law [can. 1287, #2] that the pastor “render an account to the faithful concerning the goods offered by the faithful to the Church.” This communication could be accomplished via letters, bulletin articles, pulpit announcements, and/or publication of meeting minutes. Finance Council meetings maybe open to the parish community. If there are sensitive or confidential matters to address, a special session could be scheduled that is not open to the parish community. The Finance Council should advise the pastor on the best ways to keep the parish informed and involved in key issues and decisions facing the parish.

#### 6. Record Retention

The parish should retain meeting minutes, agendas, handouts, reports, and materials reviewed during the meeting for future reference by either internal or external parties in accordance with Archdiocesan guidelines.

### RESPONSIBILITIES OF THE PARISH FINANCE COUNCIL

#### 1. Regarding Ordinary and Extraordinary Administration

Canon law separates actions into two categories, acts of ordinary administration and acts of extraordinary administration. The vast majority of acts to administer a parish fall under ordinary administration. Acts of extraordinary administration are more limited and require additional approval. The advice of the Finance Council should be sought both for acts of ordinary administration and acts of extraordinary administration. However, the degree of consultation varies.

##### a. Extraordinary Administration

The advice of the Finance Council is to be sought regarding all acts of extraordinary administration. It is an archdiocesan norm that the pastor must consult with his Finance Council prior to seeking the approval of the archbishop. Examples of acts of extraordinary administration include but are not limited to the following:

- Acquisition or sale of real property
- Leasing of real estate
- Collateralization or mortgaging of real property
- Initiating law suits in which the parish is a plaintiff
- Sale of religious artifacts which are considered part of the parish’s patrimony (e.g., stained glass windows)
- Execution of certain contracts
- Capital projects\* and facility maintenance in excess of these limits\*\*:

- i. If the annual offertory income of the parish exceeds \$2,000,000, the limit is \$75,000;
- ii. If the annual offertory income of the parish is between \$1,000,001 and \$2,000,000, the limit is \$50,000;
- iii. If the annual offertory income of the parish is between \$500,000 and \$1,000,000, the limit is \$40,000; and
  1. If the annual offertory income of the parish is below \$500,000, the limit is \$20,000.

\*Catholic Construction Services, Inc. will provide further guidance.

\*\*These limits are for the purpose of accountability and are intended to cover the total cost of a particular item rather than the amount of individual checks.

Extraordinary acts taken without approval of the archbishop are invalid in canon law. A complication is that they may be valid under Georgia law since the pastor is acting under the “color of authority” so that others have a right to depend on his representations. This fact leaves the pastor open to a claim under canon law, and possibly under civil law, for any damage that may be caused to the parish.

b. Ordinary Administration

The advice of the Finance Council should also be sought for acts of ordinary administration. The pastor may find it helpful to seek the advice of the Finance Council even for routine actions of day-to-day administration. For example, while the purchase of ordinary amounts of office supplies is a routine activity, the Finance Council may provide useful advice on strategies to reduce the cost of such recurring purchases.

2. The Finance Council should ensure that a detailed inventory of assets is maintained.
3. The Finance Council should advise the pastor on the management of parish operating accounts and D&L savings accounts and recommend the appropriate amount of funds to be on deposit in those accounts.
4. At the request of the pastor, the Finance Council should review the parish internal controls and accounting procedures, including those regarding monthly reviews of bank statements, bank-account reconciliations, and other key reconciliations; assist in the development of a sound system of internal controls; and ensure financial policies are implemented.
5. Members should become knowledgeable of The Roman Catholic Archdiocese of Atlanta Best Practices for Parishes (“Best Practices”), other key guidelines issued by the Archdiocese, and civil law pertaining to the administration of the temporal goods of the parish. The pastor should ensure Finance Council members are provided a copy of the Best Practices and all internal audit reports.
6. The Finance Council should assist the pastor in developing a parish long-term strategic plan for capital improvements and funding sources for capital reserves and savings accounts. It should ensure a plan is in place for the care and maintenance of all parish facilities.

7. The Finance Council assists the pastor in planning for repair, replacement, or servicing of property and equipment to ensure that the parish buildings and property are adequately maintained. At the request of the pastor, the Finance Council should review maintenance and utility costs, seeking to minimize costs through preventative maintenance, energy conservation, and the implementation of risk-management programs and recommendations.

8. Annual Budget

The Finance Council should participate in developing and implementing the parish annual budget (Canon 1284, §3). It should assist in establishing timelines for the operating and capital budget for parish operations, ministries, and organizations. Parish ministries and organizations should present their plans and a summary of expected receipts and disbursements to the Council during the planning process. The Council should ensure the budget is prepared in accord with the Archdiocesan chart of accounts and reporting formats. Additionally, it should recommend to the pastor any budget changes as well as the final budget, and participate in the communication of the annual budget to the parish community, including parish ministries and organizations. In addition to the budget, the Finance Council should review, at the discretion of the pastor, items of administration that are of greater significance or for which the pastor wishes advice.

The Finance Council should review periodic (at least quarterly) financial reports that the parish provides to the Pastoral Council. The Finance Council should address significant revenue and expense variances from the approved budget and should review actual-to-budget comparisons by individual program categories (e.g., preschool, religious education). Significant variances from budgeted amounts should be investigated and explained. The Finance Council should also review the percentages of the parish's resources spent on ministry activities, administration, and fundraising.

9. Income

The Finance Council should monitor offertory trends and assess offertory giving levels, taking into consideration historical, seasonal, and current trends in parish revenue and expenses to ensure that financial resources are in accordance with the parish pastoral plan and good financial management. At the request of the pastor, the Finance Council should review existing fundraising programs (e.g., raffles, bingo, and food sales) for compliance with archdiocesan policies, including those regarding cash-receipt and deposit procedures, required licenses, required documentation for tax filings, and the actual tax filings. The Council should determine the effectiveness of each program and recommend new programs and changes to or the abrogation of existing programs, as deemed appropriate. The Finance Council should avoid becoming involved in actual administrative activities but should coordinate with the Stewardship Committee, as applicable. The Finance Council should provide advice on the use of undesignated bequests or other unbudgeted revenue. If requested, it should also assist the pastor in managing a parish endowment program. If requested, the Finance Council should also review any restricted gifts to ensure that the parish can accept the restriction and, once accepted, that the funds are spent in a manner consistent with the donor restriction(s).

The Finance Council should gain an understanding of regulations regarding the assessment of unrelated-business income tax and make recommendations to maintain the parish's fully tax-

exempt status.

10. Debt

The Finance Council should review any indebtedness of the parish and assist the pastor in fulfilling his obligations under Canon 1284, §2, 5°, upon his request. Planning for debt repayment should be an integral part of the budgeting process. The Finance Council should review, if requested, the circumstances of any plan to incur additional debt and the plan for repayment.

11. Parish Finance Employees

The Finance Council should provide advice on hiring and evaluating a Business Manager, Bookkeeper, Accountant or similar position. Note: The Archdiocesan Finance Office is required to interview the prospective candidate for a parish financial position prior to hiring or volunteering.

12. Parish Reports

The Finance Council should review the complete parish monthly financial reports to the Archdiocese to ensure that all reports have been accurately, completely, and timely prepared.

The Finance Council should provide assistance in the formulation and communication of the annual financial report to the parish community, as required by Canon 1287, §2. Clear, regular and complete communication to parishioners is a key responsibility of the pastor, and the Finance Council can assist as it pertains to temporalities. Communication keeps parishioners informed of the parish's condition, its priorities, its needs, and progress on previously announced initiatives.

13. Archdiocesan Letter

The Finance Council should assist in the timely submission of the Year-end Parish Certification Letter to the Archbishop. The form of the letter is included in Appendix 2 and is due within 90 days of the end of the fiscal year. The letter includes certification by the pastor, Treasurer or Business Manager and Finance Council Members that:

- a. The financial reports accurately reflect the financial condition of the parish.
- b. Parish financial statements were reviewed and approved.
- c. All federal and state payroll taxes were paid.
- d. The accounts payable vendors were reviewed to ensure proper classification as to taxability and compliance with IRS regulations, and the issuance and filing of the appropriate 1099 forms.
- e. All non-exempt real property taxes were paid.
- f. All of our activities are religious, educational, or charitable, except as noted here:
- g. None of us know of any credible reports of possible fraudulent or dishonest conduct, which has not been reported to the archbishop or his staff.
- h. None of the individuals named and signing below, nor any member of their families, has engaged in any activity with the parish from which they could personally benefit and which

would be considered a conflict of interest without fully disclosing the conflict to the pastor and Finance Council.

Additionally, the letter should contain:

1. The names of the members of the Parish Finance Council;
2. The dates on which the Parish Finance Council met during the Year;
3. Copies of the most recent fiscal year-end published financial statements and the current fiscal-year annual budget; and
4. The signatures of the pastor, Treasurer (or Business Manager or Bookkeeper) and Parish Finance Council members attesting to the above items.,

## SUBCOMMITTEES

The Finance Council may benefit from organizing its members into subcommittees dealing with specific duties and responsibilities. The magnitude and complexity of the different subcommittees would depend upon the size, resources, obligations, and needs of the particular parish. The Finance Council would coordinate the work of these subcommittees, often by following priorities established by the Parish Pastoral Council (USCCB).

The work of the subcommittees may encompass the following:

1. Budget Subcommittee
  - a. Assist in preparation, presentation and review of the parish budget.
  - b. Assist other programs and ministries in preparing their budgets.
  - c. Study parish revenue and make recommendations for maintaining and increasing revenues in order to meet parish objectives and priorities; and monitor contribution trends.
  - d. Periodically review income and expenditures and make recommendations as necessary to see that expenses are within set limits.
2. Audit Subcommittee
  - a. Review internal controls and offertory procedures, and prepare recommendations for improved procedures.
  - b. Review the bank statements, returned checks (or check facsimiles), and reconciliations at least 4 times/yr.
  - c. Provide parishioners with periodic (e.g., quarterly, semi-annual or annual), comprehensive written reports on the parish's financial position, including a statement of activity and balance sheet accounts. Consider oral reports to parishioners to elaborate on key results and issues (USCCB).
  - d. Review periodic reports from the archdiocesan internal audits of the parish, and provide advice on how to address and correct identified weaknesses (USCCB).
  - e. Assist in communicating results of internal audits to the parish (USCCB).
3. Facilities & Maintenance Subcommittee
  - a. Advise the pastor regarding the results of inspections of parish facilities, and recommend

- repairs or replacements based on priorities established by these inspections.
- b. Review detailed annual inventory of all parish assets in accordance with Canon 1283, §2.
  - c. Assist in the development of guidelines concerning the use of parish facilities.
  - d. Assist in the development of parish energy-conservation programs.
  - e. Develop teams of parishioners who will donate time and talent for parish maintenance tasks, taking note of the extent to which such work is allowed to be performed by volunteers under the guidelines of the diocesan risk-management and insurance programs.
  - f. Review the parish's risk-management and loss-prevention reports in order to ensure corrective action is taken where necessary.
  - g. Ensure that the safety and security of the parish campus is addressed and reviewed regularly.
4. Financial Planning & Development Subcommittee
- a. Provide long-range planning for both the financial and physical needs of the parish by working closely with the budget and maintenance subcommittees, the Parish Pastoral Council, and other parish organizations.
  - b. Educate parishioners about stewardship and the need for parish involvement and support.
  - c. Provide oversight for the following:
    - i. Programs that focus on increased levels of giving based on individual parish needs, including the use of electronic giving;
    - ii. Capital-campaign or debt-reduction programs designed to raise funds for parish facilities, which consist of solicitation for one-time gifts or multi-year pledges; and
    - iii. Programs designed to provide long-term financial support involving planned giving or endowment vehicles.

## RELATIONSHIP TO PASTORAL AND OTHER COUNCILS

The development of the parish pastoral plan is the ideal time for the Pastoral and Finance Councils to collaborate in outlining the goals of the parish. Communication between the two councils is essential to share information regarding the parish finances in order to implement the pastoral plans and priorities. It is the role of the Pastoral Council to prioritize the goals of each commission as part of the pastoral planning process. Based on these goals, the various commissions prepare budgets for review by the Finance Council. It is the responsibility of the Finance Council to advise on the adequacy of resources to fund the activities of the commissions, specific parish ministries and operating expenses of the parish. If there is a budget short-fall, the Finance and Pastoral Councils should collaborate to resolve the matter. Ultimately, it is the role of the Finance Council to recommend the final budget to the pastor for his approval.

To maintain open communication, it is recommended that a person from the Pastoral Council serve as an ex-officio member on the Finance Council. The Finance Council, likewise, should appoint an ex-officio member to the Pastoral Council. The Pastoral Council should provide its plan and meeting minutes to the Finance Council, and the Finance Council should provide periodic financial reports to the Pastoral Council.

An appropriate means of communication should be developed between the Finance Council and other parish groups and councils. It may be useful to assign a liaison between councils. The Finance Council should interact with parish groups/councils to study, create, and revise plans for the effective management and use of parish resources.

## APPENDICES

### APPENDIX 1: CANONS 1281-1288 FOR REFERENCE

#### Canon 1281

§1 – With due regard for the prescriptions of their statutes, administrators invalidly posit acts which go beyond the limits and procedures of ordinary administration unless they first obtain written authority from the ordinary.

§2 – The acts which go beyond the limits and procedures of ordinary administration are to be defined in the statutes; if, however, the statutes do not mention such acts, it is within the competence of the diocesan bishop to determine such acts for persons subject to him after he has heard the finance council.

§3 – Unless and to the extent that it is to its own advantage, a juridic person is not held to answer for acts invalidly posited by its administrators. A juridic person, however, is responsible for acts illegitimately but validly posited by its administrators with due regard for the right to sue or to have recourse against administrators who have damaged it.

Canon 1282 – All clerics or lay persons who through a legitimate title take part in the administration of ecclesiastical goods are bound to fulfill their duties in the name of the Church and in accord with the norm of law.

Canon 1283 – Before administrators take office:

1° – they must take an oath before the ordinary or his delegate that they will be efficient and faithful administrators;

2° – they are to prepare, sign and subsequently renew an accurate and detailed inventory of immovable goods, movable goods, either precious or of significant cultural value, or other goods along with a description and appraisal of them;

3° – one copy of this inventory is to be kept in the archives of the administration; the other, in the curial archives; any change whatever which the patrimony may undergo is to be noted on each copy.

#### Canon 1284

§1 – All administrators are bound to fulfill their office with the diligence of a good housekeeper.

§2 – For this reason they must:

1° – take care that none of the goods entrusted to their care is in any way lost or damaged and take out insurance policies for this purpose, insofar as such is necessary;

2° – take care that the ownership of ecclesiastical goods is safeguarded through civilly valid methods;

3° – observe the prescriptions of both canon and civil law or those imposed by the founder, donor or legitimate authority; they must especially be on guard lest the Church be harmed through the non-observance of civil laws;

4° – accurately collect the revenues and income of goods when they are legally due, safeguard them once collected and apply them according to the intention of the founder or according to legitimate norms;

5° – pay the interest on a loan or mortgage when it is due and take care that the capital debt itself is repaid in due time;

6° – with the consent of the ordinary invest the money which is left over after expenses and which can be profitably allocated for the goals of the juridic person;

7° – keep well ordered books of receipts and expenditures;

8° – draw up a report on their administration at the end of each year;

9° – duly arrange and keep in a suitable and safe archive the documents and deeds upon which are based the rights of the Church or the institution to its goods; deposit authentic copies of them in the archive of the curia when it can be done conveniently.

§3 – It is strongly recommended that administrators prepare annual budgets of receipts and expenditures; however, it is left to particular law to issue regulations concerning such budgets and to determine more precisely how they are to be presented.

Canon 1285 – Within the limits of ordinary administration only, it is permissible for administrators to make donations for purposes of piety or Christian charity from movable goods which do not pertain to the stable patrimony.

Canon 1286 – Administrators of goods:

1° – are to observe meticulously the civil laws pertaining to labor and social policy according to Church principles in the employment of workers;

2° – are to pay employees a just and decent wage so that they may provide appropriately for their needs and those of their family.

Canon 1287

§1 – Both clerical and lay administrators of any ecclesiastical goods whatsoever which have not been legitimately exempted from the governing power of the diocesan bishop are bound by their office to present the local ordinary with an annual report, which in turn he is to present to the finance council for its consideration; any contrary custom is reprobated.

§2 – Administrators are to render an account to the faithful concerning the goods offered by the faithful to the Church, according to norms to be determined by particular law.

Canon 1288 – Administrators are neither to initiate nor to contest a lawsuit on behalf of a public juridic person in civil court unless they obtain the written permission of their own ordinary.

Definition: A juridic person is an artificial person constituted by competent ecclesiastical authority for an apostolic purpose, with a capacity for continuous existence and with canonical rights and duties like those of a natural person. Like a civil-law corporation, it is a legal construct which can and must be conceived of apart from the natural persons who constitute it, administer it, or for whose benefit it exists. Of its nature, a juridic person is perpetual and, once established, it can outlast all natural persons or material goods which formed it.

**APPENDIX 2: YEAR END PARISH CERTIFICATION LETTER**

**DOWNLOAD THIS LETTER onto PARISH LETTERHEAD  
or TYPE IN THE PARISH NAME in the header  
Type Parish Name Here**

**YEAR END PARISH CERTIFICATION LETTER**  
Annual Report of Fiscal Year 2020-2021

Date: Type Date Here

Archbishop Hartmayer,

As pastor of *Parish Name Here* Catholic Church, it is my responsibility each year to render an account to the faithful concerning the management of the temporal goods of the Church, including the financial support offered by the faithful, and to submit this report to you. I am assisted in my duty by my Finance Council and my administrative staff.

In submitting this report, each of the undersigned affirms to the best of our knowledge:

- The financial reports accurately reflect the financial condition of the parish.
- Parish financial statements were reviewed and approved.
- All federal and state payroll taxes were paid.
- The accounts payable vendors were reviewed to ensure proper classification as to taxability and compliance with IRS regulations, and the issuance and filing of the appropriate 1099 forms.
- All non-exempt real property taxes were paid.
- All of our activities are religious, educational, or charitable, except as noted here:  

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- None of us know of any credible reports of possible fraudulent or dishonest conduct, which has not been reported to the Archbishop or his staff.
- None of the individuals named and signing below, nor any member of their families, has engaged in any activity with the parish from which we could personally benefit and be considered a conflict of interest without fully disclosing the conflict to the pastor and Finance Council.

Sincerely Yours in Christ,

  

---

Pastor

Date

\_\_\_\_\_  
Parish Treasurer or  
Business Manager or Bookkeeper

\_\_\_\_\_  
Date

**Type Parish Name Here**

**YEAR END PARISH CERTIFICATION LETTER**  
Annual Report of Fiscal Year 2019-2020

\_\_\_\_\_  
Finance Council Member #1

\_\_\_\_\_  
*Please Print Name*

\_\_\_\_\_  
Finance Council Member #2

\_\_\_\_\_  
*Please Print Name*

\_\_\_\_\_  
Finance Council Member #3

\_\_\_\_\_  
*Please Print Name*

\_\_\_\_\_  
Finance Council Member #4

\_\_\_\_\_  
*Please Print Name*

\_\_\_\_\_  
Finance Council Member #5

\_\_\_\_\_  
*Please Print Name*

\_\_\_\_\_  
Finance Council Member #6

\_\_\_\_\_  
*Please Print Name*

*Add Additional Members as Needed*

Dates of the Finance Council Meetings

Date #1 \_\_\_\_\_

Date #7 \_\_\_\_\_

Date #2 \_\_\_\_\_

Date #8 \_\_\_\_\_

Date #3 \_\_\_\_\_

Date #9 \_\_\_\_\_

Date #4 \_\_\_\_\_

Date #10 \_\_\_\_\_

Date #5 \_\_\_\_\_

Date #11 \_\_\_\_\_

Date #6 \_\_\_\_\_

Date #12 \_\_\_\_\_

### **APPENDIX 3: PROPOSED PARISH FINANCIAL REPORTING TIMELINE**

July	Begin preparation of Annual Report to Parishioners
August	Review final year-end reporting prior to close of fiscal year
September	Finalize and present Annual Report to parishioners by September 30 <sup>th</sup>
October	Submit copy of Annual Report and signed Certification Letter to the Archdiocese
January	Begin budget planning process for upcoming year
April	Finalize budget for upcoming fiscal year