

1. Parish Finance Committee

Canon 537 of the Code of Canon Law states: In each parish there is to be a Finance Committee to help the parish priest in the administration of the goods of the parish. It is ruled by universal law and by the norms laid down by the diocesan Bishop, and it is comprised of members of the faithful selected according to these norms.

The following are the norms governing Parish Finance Committees:

1.1. Finance Committee Membership

- Priests of the Parish
- 2-5 lay members
- A Chairperson and secretary, preferably lay people, should be selected from the group. Lay people with financial and business background should be included if possible. ➤ The Chairperson of the Pastoral Council should attend at least one of the meetings of the Finance Committee, preferably the meeting where the annual accounts are being presented.

1.2. Tenure

Members of the Finance Committee should be appointed for a three year term. No member should be appointed for more than two consecutive terms. Change of membership should be on a phased basis to ensure stability.

1.3. Term of Reference

The P.P. is responsible to the Bishop and parishioners for the implementation of sound financial controls within the parish. Parish employees may not be members of the Finance Committee. The Key advisory roles are:

The maintenance of proper books of account and the implementation of effective internal financial controls.

- Formal review of Parish accounts annually.
- Preparation of annual parish budget.
- The Financial statement is prepared each year ending 31st December by the Parish accountant. The Finance Committee should discuss the final accounts and should formally recommend to the P.P. that he approve them and submit then to the Bishop's House no later than the 28th February each year.
- Approval of outlays on maintenance and capital spending not exceeding €10,000 as amounts above this need diocesan approval.
- Maintenance of Parish property and the insurance thereof.
- Publication of Parish financial reports to the parishioners. ➤
- Approval and control of all fundraising activities.

1.4. Meetings

Meetings are to be held at least quarterly and follow a standard agenda. Minutes are to be kept recording all the works of the committee. Discussion at meetings and the work of the committee generally should be confidential to the members.

2. Parish Finance & Administration

If available and deemed necessary a person experienced in keeping accounts either on a voluntary or paid basis could be engaged by the parish.

The P.P., supported by the Finance Committee, is responsible for ensuring effective financial controls are in place relating to:

- Preparation of accounts for finance meetings.
- Control over lodgements
- All payments
- Maintenance of parish asset records
- Preparation and finalisation of annual budget and accounts.

Under no circumstances should the P.P., other clergy or sacristan be **solely** involved in collecting, counting etc. of parish income.

3. External Review

3.1. Each year, the Diocesan Accountant should undertake a detailed review of a number of parish accounts. This should be done in such a way that every parish is reviewed over a period of six years.

3.2. When a P.P. is moved parish procedures should be reviewed so that an effective hand-over take place.

3.3. The Diocesan Finance Administrator and/or the Bishop may at any time instruct that an audit of any parish should be undertaken by the appointed accountant.

4. Church Collections

4.1. Counting Teams

The Parish Finance Committee should appoint counting teams who on a rota basis should count the church collections on the agreed day each week. The formal bank lodgement slip(s) should be prepared by the team who should record the amount counted in a separate Register. The Register shows the analysis of the income sources for accounting purposes. The team should sign off on this and the completed counted monies should be placed in a safe. Arrangements for banking should be made by Finance Committee and should be to the satisfaction of the Diocesan Finance Committee.

4.2. Church collection boxes and candle boxes

As a routine all church collection boxes and candle boxes should be emptied once a week at least by two people. The monies should be deposited in the safe and counted by the counting team.

4.3. Direct debits and Standing Orders

A Register of direct debits and Standing Orders should be maintained by the Parish Office. This should be compared to bank statements on a regular basis to ensure that all DD and SO income has been received.

4.4. All other monies

All other monies, donations or bequests received by the Parish Office should be recorded and receipt issued to the donor in all cases.

4.5. Accounting Records

Every parish must maintain proper accounting records. These form part of the official records of the parish. They should be preserved and should be available to successive P.P.s along with other documentation such as contracts and details of capital expenditure and receipts.

5. Staff Payments

5.1. Payroll

The parish office should prepare the payroll and it should be approved by the P.P. All payments to individuals, e.g. cleaners etc. should be through the PAYE system. Employment contracts should be issued to all staff.

5.2. Non Salary Payments

All payments should be made only when supported by the following documentation:

- A formal payment request covering each payment. ➤

- A supplied invoice or receipt.

- > Confirmation of delivery.

- All payments by cheque should be prepared on a monthly basis. The cheques should be signed by the P.P. and counter signed by a member of the Finance Committee.

5.3. Capital Expenditure or Major Repairs

The P.P. should consult with the Finance Committee on any outlays on capital expenditure or major repairs. The Diocese will need to be consulted on payments or outlays exceeding €10,000

6. Bank Accounts

All parish Bank Accounts must be in the name of the Parish and may not under any circumstances be in the name of individual clergy or P.P.

- All parish Deposit Accounts must also be in the name of the Parish.
- The P.P. is required as part of the Annual Diocesan Returns to formally certify that all bank and deposit account balances together with all parish income have been included in the Annual Returns.
- No other Parish Bank Accounts are to be opened without the express authorisation of the Diocesan Office.
- All borrowings must be approved by the Diocesan Finance Council.
- The quarterly bank reconciliation together with copies of bank statements should be copied to the Finance Committee with the Quarterly results.

7. Assets

Every Parish must have an asset Register indicating all properties and assets (with a value over €250) owned by the Parish, or held in Trust on behalf of the Diocese. This Register should show details as follows:

Property or Assets description

- Date acquired
- Original value
- Location
- Where deeds are held in case of properties.

The sale of any property requires the approval of the Bishop. All properties should be vested in St. Brendan's Trust.

8. Insurance

The P.P. supported by the Finance Committee is responsible for ensuring that Church property and assets are adequately insured.