

# **ST. MARY CATHEDRAL**

## **Parish Finance Council Charter**

*Approved by Parish Pastoral Council June 18, 2015*

## TABLE OF CONTENTS

### **Article I: Name, Address, Purpose**

Section 1	Name and Address	4
Section 2	Mission and Purpose	4

### **Article II: Functions of the Parish Finance Council**

Section 1	Functions of the Parish Finance Council	4
	A. Policy Formulating	4
	B. Budget	5
	C. Financial Reporting	5
	D. Internal Controls	6
	E. Other Administrative Matters	6
	F. Self-Evaluation	6
	G. Communications	6

### **Article III: Membership**

Section 1	Number of Members	7
Section 2	Qualifications	7
Section 3	Term of Office	8
Section 4	Expiration of Term	8
Section 5	Number of Terms	8
Section 6	Ex Officio Members	8
Section 7	Vacancies	8
Section 8	Removal of Parish Finance Council Members	9
Section 9	Selection Process of Parish Finance Council Members	9

### **Article IV: Officers**

Section 1	Designation	10
Section 2	Selection of Officers	10

Section 3	Removal of Officers	10
Section 4	Duties of Officers and Non-Voting Members	10
	A. Pastor	10
	B. Associate Pastor	10
	C. Business Manager	10
	D. Chairperson	11
	E. Vice-Chairperson	11
	F. Secretary	11
Section 5	Compensation	12

#### **Article V: Meetings**

Section 1	Organizational Meeting	12
Section 2	Regular Meetings	12
Section 3	Notice of Regular Meetings	12
Section 4	Special Meetings	12
Section 5	Notice of Special Meetings	12
Section 6	Open Meetings	12
Section 7	Non-Members Addressing the Parish Finance Council	13
Section 8	Quorum	13
Section 9	Conduct of Meetings	13
Section 10	Parish Vote	13

#### **Article VI: Committees**

Section 1	Ad Hoc Committees	13
Section 2	Standing Committees	14

#### **Article VII: Amendments**

Section 1	Amendment to Charter	14
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# ST. MARY CATHEDRAL PARISH FINANCE COUNCIL CHARTER

## ARTICLE I

### NAME - ADDRESS - PURPOSE

#### Section 1. NAME AND ADDRESS

The name of this organization is the St. Mary Cathedral Parish Finance Council hereafter referred to as the PFC. The mailing address of the PFC is c/o St. Mary Cathedral PFC, 606 N. Ohio St., Gaylord, MI 49735.

#### Section 2. MISSION AND PURPOSE

The PFC has been formed in compliance with Canon 537 of the *1983 Code of Canon Law* for the Roman Catholic Church here after referred to as “Cannon Law” and is subject to the provisions of Canon Law. Canon 537 states:

“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.”

The remainder of this document will outline the due course of action that will be followed by the PFC. It is paramount that the PFC follows the Gospel and insures that the parish is acting with good stewardship in managing the finances and other administrative functions of the parish.

The PFC will keep the Parish Pastoral Council (PPC) apprised of the activities of the PFC. The PFC will also work with the School Advisory Council in matters that relate to the operation of St. Mary Cathedral School. The PFC will also interact with various other groups, organizations and councils from time to time as they relate to the overall financial impact to the operations of the parish.

## ARTICLE II

### FUNCTIONS OF THE PARISH FINANCE COUNCIL

#### Section 1. Functions of the Parish Finance Council

The functions of the PFC shall include, but not be limited to, the following:

**(A) Policy Formulating.** The goals and objectives of the St. Mary Cathedral Parish will be carried out by the formation of recommendations as follows:

- PFC members will have access to the minutes of the PPC, Stewardship Council and the School Advisory Council through the parish communication tool (currently We Gather). PFC members have discretionary authority to attend meetings of any other council of the parish at any time.

- The PFC will work with parish staffs in order to implement and adhere to policies and procedures that insure the parish is acting prudently in matters as they relate to administrative functions of the parish.

Upon written request, parishioners will be allowed to attend meetings to address a particular issue or concern. They will be asked to state their business to the PFC, which will be addressed by the PFC. The PFC chairperson will issue a written reply to the issue or concerns brought by the parishioner.

**(B) Budget.** One of the key functions of the PFC is to develop the annual budget (Operation and Capital Projects) in coordination with the PPC as well as other councils of the parish. This budget is required to be a balanced budget. Other budgets may also be requested by the pastor in order to plan for other special projects, or other functions within the parish. The PFC will insure that the budget has been prepared in accordance with the chart of accounts and reporting formats required by the diocese. The PFC will submit the annual budget to the PPC for approval at the April PPC meeting

**(C) Financial Reporting.** Monthly financial reports (Balance Sheet, Income Statements (including budget to actual) Purchase Journals, Check Registers, etc.) will be reviewed by the PFC to insure that parish and/or diocesan policies and procedures are being followed by the parish. Compliance with the annual budget as outlined above will also be reviewed through the monthly financial reports. During certain months a face to face meeting may not be held, however reports will still be published and reviewed by the PFC.

The PFC will review the payments made by the parish to insure that they have been made promptly and recorded properly in the records of the parish.

Non-routine expenditures in excess of \$10,000 are required to be discussed with the PFC prior to the pastor committing to the expenditure.

Monitor the revenue trends of the parish and make recommendations regarding any practice that may enhance any source of revenue for the parish.

The PFC will review the fundraising activities of the parish and advise the pastor in ways to attempt to maximize the effectiveness of these efforts.

The PFC will also review and comment on any financial reports to be shared with the parish at large. These reports are required to include items related to debt balances of the parish.

The PFC will also review any reports required to be filed with the diocesan office.

The PFC will review at least annually the statements for any funds held in endowments for the benefit of the parish. This review is to insure that funds being held are (1) following any donor restrictions; (2) invested properly; (3) any other matter that needs to be addressed.

The PFC will work with the pastor and Stewardship Council and any other group as requested by the pastor in order to educate the parish in practices of stewardship.

**(D) Internal Controls.** The PFC will work closely with the parish administrative staff to insure that strict adherence to internal controls are being followed in order to safe guard the assets of the parish. These controls must also follow any diocesan norms established.

**(E) Other Administrative Matters.** The PFC will also advise the pastor on other administrative matters of the parish. These include but are not limited to: personnel issues, policies regarding tuition, insurances, capital campaigns, or fundraising functions of the parish.

**(F) Self Evaluation.** At the end of the fiscal year, the PFC will review its own performance by evaluating and measuring the effectiveness of its policies and projects, to discern where their own actions can be improved upon or considered for possible elimination from the PFC agenda going into the next year. The PFC will determine for itself whether they accomplished the goal of advancing the parish vision and mission as set forth at the beginning of the year.

**(G) Communications.** All PFC members shall be provided with a copy of the meeting agenda as provided by the chairperson and a copy of the last meeting's minutes as distributed by the recording secretary. All PFC members should arrive prepared to discuss any issue on the agenda for the scheduled meeting in order to provide feedback and consultation to the pastor.

Being members of the primary visionary body for the parish, PFC members should be able to communicate and articulate any actions taken by the pastor and recommended by the PFC in an informed and positive light to any parishioner desiring to discuss a given policy that impacts the parish ministries or finances. PFC members should be willing and able to support the pastor and his decisions in an informed and positive light.

## **ARTICLE III**

### **Membership**

#### **Section 1. Number of Members**

The PFC shall be composed of nine (9) members (Chairperson, vice chairperson and the seven (7) other voting members). The PFC shall include four (4) non-voting members (Pastor or his designated representative, associate pastor(s), business manager and recording secretary). The pastor reserves the right to approve all appointed PFC members.

#### **Section 2. Qualifications**

The PFC members must be Catholic, over the age of 21, and in good standing with the church. (See Catechism of the Catholic Church 2041-2043.) The members must be registered, active parishioners of St. Mary Cathedral Parish. An active parishioner is defined as one who participates in a parish ministry of the church with their time, talent, and treasure. At a minimum, they must attend mass every Sunday, participate in the prayers and hymns of the celebration and are strongly encouraged to serve the parish in a liturgical ministry (i.e. extraordinary minister of the Eucharist, usher, choir member, greeter, etc.) They must provide financial support to the parish on a weekly or monthly

basis as allowed by their financial ability. They must be willing to share their time and talents within the parish and church community. The following guidelines will also be followed:

- No paid, regular employee of the parish, or their immediate family, may serve as a voting member of the PFC.
- Members must possess a high level of integrity and confidentiality and be willing to sign a confidentiality agreement promising not to divulge privileged information that is presented at the meetings.
- Members must be willing to support and participate in developmental activities (i.e. orientation and training opportunities, membership on other councils, participation on ad hoc committees and commissions as well as retreats, formation seminars, and other activities) deemed appropriate by the pastor as a means for them to be more productive PFC members.
- Members must exhibit demonstrated competence and professionalism in their chosen field of committee work. At a minimum they will be thoroughly knowledgeable in the work of the committee and cooperative with other committee members in accomplishing the assigned objectives.
- Members must have business related backgrounds in areas of management, accounting, finance, property management, human resources or other business related disciplines.
- Members must participate in stewardship development and faith formation through PPC education established by the Parish Stewardship Council (i.e. retreats, formation seminars, lectures, and other activities) deemed appropriate by the pastor and recommended for their spiritual growth as disciples.
- Members should intend to serve for three (3) consecutive years and attend regularly scheduled meetings unless unforeseen circumstances arise requiring their resignation. A resignation should be submitted in writing in a timely manner. See Article III, Section 7 that outlines the procedure for filling vacancies.
- Members must have regular computer and internet access allowing them the ability to communicate online and receive all PFC communications.
- Members must agree to attend orientation and planning meetings, which will be the first and second meetings of each new PFC term.
- At the beginning of each fiscal year, PFC members will be required to take an Oath of Fidelity and a Profession of Faith in front of the congregation gathered for Mass.

### **Section 3. Term of Office**

The terms of the voting members shall be staggered so that each year, three (3) voting members end their term and three (3) members are selected to fill the vacancies using the process cited in section 7 Article III of this document.

#### **Section 4. Expiration of Term**

Prior to the expiration of each member's term, the PFC shall solicit nominations and applications from the qualified (See Art. III, 2) members of St. Mary Cathedral Parish. Selection will be made by appointment from the pastor. The members whose terms have expired shall continue to hold membership on the PFC until their respective successors have been selected and attend their first meeting. The general election of PFC members shall occur no later than the regularly scheduled PFC meeting for May of each calendar year.

#### **Section 5. Number of Terms**

Any voting-member who has served two (2) consecutive three-year terms must sit out one (1) full fiscal year following the end of his or her last term prior to making application for appointment to the PFC for another term.

#### **Section 6. Ex Officio Members**

The PFC shall include the following ex officio, non-voting members: the pastor (Or his designated representative), associate pastor(s), parish business manager, and a recording secretary.

#### **Section 7. Vacancies**

Vacancies on the PFC caused by any reason other than the expiration of a member's term shall be filled by appointment from the pastor after receiving recommendations and nominations from members of the PFC and the congregation at large. If the position is to be filled and not left vacant until the next election, the newly appointed member selected shall serve the remainder of the term created by the vacancy. If the PFC decides to leave the position vacant, it shall be filled by a member pursuant to the annual election procedures outlined in this document and such member shall serve for the remainder of the term.

#### **Section 8. Removal of Finance Council Members**

A member may lose his or her seat on the PFC by resignation in writing, withdrawing from parish membership, incurring an ecclesiastical censure or penalty, or committing a civil offense which necessitates the loss of membership.

Any member of the PFC who has three (3) consecutive unexcused absences from the PFC meetings may be removed upon motion of a PFC member and a concurrence of a majority of the remaining members. An individual who has been removed from his or her position will receive verbal and written notification by the PFC Chair.

Further, if in the opinion of the PPC, should any member of the PFC fail to promote and maintain the purpose of the PFC as set forth in Article I, Section 2, of this Charter, subject to a decision by the pastor to the contrary, the PPC reserves the right to terminate a member of the PFC by way of a two-thirds vote of a quorum of the members of the PPC, at a regularly scheduled or special PPC meeting.

## **Section 9. Selection Process of Parish Finance Council Members**

Requests for nominations and eligibility requirements for PFC members shall be posted in St. Mary Cathedral Parish communication channels and on the parish website for at least three (3) weeks prior to the application deadline. The pastor will review all applications, and after discernment, will appoint him or her whom he believes to be most qualified for the position.

- In the event there are insufficient applicants to fill all vacancies, the pastor retains the right to appoint a qualified applicant to the vacant position(s) which appointee(s) shall serve until the next election; or leave the position(s) vacant until the next election at which time the seat(s) shall be filled by member(s) pursuant to the annual election procedures and such member(s) shall serve for the remainder of the term.
- The pastor shall have final approval of all PFC members.
- The new term for PFC members will begin with the July meeting. Members may be appointed to serve as a non-voting member on one of the other three (3) councils as a representative of the PFC.

## **ARTICLE IV. Officers**

### ***Section 1. Designation***

The principal officers of the PFC shall be the chairperson, vice-chairperson and a recording secretary. They will be selected or elected by the PFC members and approved by the pastor. Except for the position of secretary, no member shall hold more than two (2) consecutive terms. The office may be held for one (1) year, with a maximum renewal of one (1) year. The member must step down and remain so for at least one (1) year before being considered for reinstatement.

### ***Section 2. Selection of Officers***

The officers of the PFC may be nominated by any member of the PFC before the May meeting. Those nominated for the offices of chairperson and vice-chairperson shall have served at least seven (7) months on the PFC. The officers shall be renewed or replaced annually by the PFC members at the May meeting and approved by the pastor. Terms will begin in July of each fiscal year.

### ***Section 3. Removal of Officers***

Upon the vote of a majority of the members of the PFC or directly by the pastor, any officer may be removed and a successor may be recommended at any regular or special meeting of the PFC.

### **Section 4. Duties of Officers and non-voting Members**

- (A) Pastor: The pastor shall preside over the PFC and act as its leader which is consistent with Canon 536, which notes that the pastor presides over the whole parish by nature of the fact that the parish has been entrusted to him by the bishop. It must be noted that although the pastor presides, he does not facilitate;

that is the role of the PFC chairperson. A designated representative will be delegated in the event of his absence.

- (B) Associate Pastor:** By virtue of the fact that the associate pastor has shared responsibilities although not shared accountability with the pastor, it is appropriate that his presence on the PFC be required for the purpose of receiving counsel and advice from PFC members
- (C) Business Manager:** the parish business manager brings a high degree of knowledge and expertise as a consultant to the pastor and PFC members. He or she will provide valuable reports on parish office activities and make recommendations based on his or her business background.

The choice of the chairperson, vice-chairperson and secretary is to be done in a spirit of prayer so as to discern the persons with the gifts needed to carry out the responsibilities of each role. Positions can be changed annually as new membership is established. The principal officers of the PFC shall perform the following duties:

**(D) Chairperson.** The chairperson of the PFC tends to the organizational aspects of the PFC and facilitates all meetings of the PFC. The chairperson must work in cooperation with the pastor and business manager, and have an understanding of group process, and have facilitation skills. The duties of the chairperson may include the following:

- Set the annual meeting schedule and reserve a meeting space
- Set the agenda for each meeting
- Provide significant time for prayer and reflection
- Preside/facilitate at all meetings
- Monitor the time frame for each agenda item
- Encourage all PFC members to participate actively and express ideas freely
- Assist discussion by restating, summarizing, contrasting ideas and sentiments expressed by PFC members
- Clarify PFC procedures
- Act as the primary PFC point of contact for the pastor, PFC members, and parishioners

**(E) Vice-Chairperson.** The vice-chairperson shall act in the chairperson's absence, and shall have all the powers and duties of the chairperson when so acting. In the event the chairperson and vice-chairperson are unable to act, the PFC shall appoint some other member of the PFC to do so on an interim basis.

**(F) Secretary.** For smooth functioning of the PFC as a group, a secretary will be appointed by the pastor and be a non-voting member of the PFC. Their duties are as follows:

- Provide a record of the minutes of the regular and special meetings
- Provide a copy of the minutes to each PFC member no less than two weeks prior to the next scheduled meeting of the PFC
- Maintain a roster of the members and records of attendance
- Notify the chairperson of those members with chronic absenteeism (having three (3) consecutive unexcused absences during the fiscal year – July 1 through June 30).
- Arrange for the necessary physical requirements (tables, chairs, etc.) for the regular and special meetings, and activities of the PFC
- Update PFC documents
- Distribute information and correspondence to PFC members as directed and care for the necessary correspondence in the following manner:
  1. Receive and file PFC business correspondence
  2. Make known all PFC correspondence under the proper meeting procedure
  3. Attend to correspondence as delegated by the PFC chairperson.
- Keep on file careful records of the PFC's history, development, minutes, decisions, and names of leaders
- Post the minutes of scheduled meetings to the parish communication web site or its equivalent

***Section 5. Compensation***

PFC members shall not be compensated for serving on the PFC, but may be reimbursed by the parish for reasonable out of pocket expenses incurred on behalf of the PFC.

**ARTICLE V.  
Meetings**

***Section 1. Organizational Meeting***

The first meeting of a newly formed PFC shall be held in August, at such time and at such place as shall be fixed by the PFC chairperson.

***Section 2. Regular Meetings***

Regular meetings of the PFC shall be held no less than once per quarter during the months of August, through June, at such place and time as determined by the chairperson. Any PFC member may propose new business agenda matters in writing to the chairperson at least one week prior to the next scheduled meeting. Regular meetings of the PFC will be held at the cathedral parish meeting rooms.

***Section 3. Notice of Regular Meetings***

Notice of all regular meetings of the PFC, including the distribution of the meeting agenda and materials shall be provided by the secretary to each PFC member via electronic mail at least five (5) days prior to the date of the meeting.

***Section 4. Special Meetings***

Special meetings of the PFC may be called by the chairperson or the pastor when

deemed necessary to conduct business that cannot wait for the next regularly scheduled PFC Meeting.

***Section 5. Notice of Special Meetings***

Notice of all special meetings shall be given to all PFC members via electronic mail, in person or by telephone no less than two (2) days prior to such meetings by the chairperson or the pastor.

***Section 6. Open Meetings***

All meetings of the PFC shall be open to attendance by any parishioner upon receiving written request and granted permission either by the pastor or the chairperson. The PFC may go into closed, executive session when discussing matters it deems necessary and appropriate to keep confidential when such parties are in attendance. An executive session will be attended only by members of the PFC to include a recording secretary.

***Section 7. Non-Members Addressing the Finance Council***

Parishioners must submit a request for any agenda item to the chairperson at least ten (10) days prior to the next PFC meeting for placement on the meeting agenda. Additionally, at the end of the meeting, the chairperson, at his or her discretion, may designate a one-minute time period to hear individual comments from parishioners attending the meeting.

***Section 8. Quorum***

At all meetings of the PFC, two-thirds of the current members shall constitute a quorum for the purpose of transacting PFC business.

***Section 9. Conduct of Meetings***

The chairperson shall preside as the facilitator over all regular and special meetings of the PFC at which they are present. The secretary shall keep the minutes of the PFC in a Book of Minutes. The secretary shall provide each member with an agenda for each meeting prior to the meeting.

The ordinary order of the meetings shall be as follows:

1. Opening Prayer
2. Calling of Roll
3. Review and approval of minutes of the last meeting
4. Reports from members assigned to represent the PFC at other meetings to include but are not limited to the Pastoral, Stewardship, and School Advisory Councils.
5. Old Business
6. New Business
7. Adjournment
8. Closing Prayer

***Section 10. Finance Council Vote***

The PFC should conduct business in a collaborative manner. All recommendations to the pastor shall be formed by a majority vote. PFC members need to be keenly aware that their function is consultative only. They are expected to act collaboratively with the

pastor, but they do not have veto power nor can they enact policy on their own. Their value to the parish resides in the collective wisdom of their members to understand and respect the pastor's right to make the final decision.

## **ARTICLE VI. Committees**

### ***Section 1. Ad Hoc Committees***

The PFC may from time to time establish ad hoc committees (such as a budget committee, etc.) with the duties and responsibilities that the chairperson shall authorize. Committee members shall be appointed by the chairperson upon the recommendation of the pastor and the other PFC members. The committee members shall report their activities to the PFC in the manner prescribed in Section 2 below, and shall serve at the discretion of the PFC.

### ***Section 2. Standing Committees***

The PFC may establish the following standing committees with oversight responsibility of other parish committees and ministries. Some examples are given below.

- Budget
- Building and Grounds
- Personnel
- Fundraising

Committee members shall be appointed by the pastor at the August meeting each year. Standing committees shall report their activities to the PFC as part of the meeting agenda as deemed appropriate by the chairperson. The committees shall be responsible for planning and implementing the PFC's goals and objectives for the new year.

## **ARTICLE VII. Amendments**

***Section 1.*** This Charter may be amended by the pastor or at a regular or special meeting of the PFC by a vote of two thirds of all the PFC members. The proposed amendment must be distributed, in writing, to each PFC member and to the pastor at least thirty (30) days prior to the meeting at which it is to be recommended to the pastor for his consideration.

***Section 2.*** Adopted amendments will be dated, properly noted in the article amended, and attached to the original charter.

Pursuant to the oversight and recommendation authority as set forth at Article II, Section (A), of the 2014, St. Mary's Parish Pastoral Council Charter, when deemed necessary, the PPC reserves the right to amend the constitutions and/or charters of all other councils, present and future, over which it has supervisory authority, including but not limited to the SAC, PFC, and Stewardship Council. Such amendments shall be approved by a two-thirds vote of a quorum of the members of the PPC, at either a regular or special council meeting.. Any and all amendments to the constitutions and/or charters of the other councils as set forth above shall not be subject to the approval by, or vote of, the members and/or officers of the effected council, and; subject to the

approval of the pastor, all such amendments shall be effective following thirty (30) days' notice of the proposed amendment.

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**IN WITNESS WHEREOF** the undersigned pastor of the parish and school has reviewed and hereby approves this charter.

\_\_\_\_\_ Date: \_\_\_\_\_  
Rev. James M. Bearss, Pastor  
St. Mary Cathedral

**IN WITNESS WHEREOF** the undersigned members of the Parish Finance Council certify and hereby adopt this Charter this June \_\_\_\_\_, 2015.

1. \_\_\_\_\_  
Name (Please Print) Signature

2. \_\_\_\_\_  
Name (Please Print) Signature

3. \_\_\_\_\_  
Name (Please Print) Signature

4. \_\_\_\_\_  
Name (Please Print) Signature

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