



ARCHDIOCESE
of MILWAUKEE

PARISH TRUSTEE *Manual*

OFFICE FOR PLANNING AND COUNCILS

414-769-3352 or 1-800-769-9373, x3352

parishcouncils@archmil.org

Noreen Welte, Katie Hoeller, Barbara Anne Cusack, Jay Frymark, Mark Kemmeter - Editors

Archdiocese of Milwaukee

3501 S. Lake Drive • P.O. Box 070912

Milwaukee, WI 53207-0912

www.archmil.org

Revised August 2017. Copyright ©2000 by Archdiocese of Milwaukee.

All rights reserved. Printed in the United States of America.



August 15, 2014

Dear Friends in Christ,

In every parish I visit throughout our archdiocese I find extraordinarily generous parishioners. Among the most dedicated members are you who serve as trustee treasurer and trustee secretary. You are essential to the civil law functions of the parish corporation but your contributions to the life of the parish extend even further.

As integral members of the parish pastoral councils, you express your concern for the total parish vision and mission. You bring your gifts of administration to the pastoral needs and dreams of the people.

Together with parishioners who serve on the parish finance council, you provide invaluable assistance to your pastor in the care of the temporal and human resources of the parish.

This manual governs the actions of parish trustees in the Archdiocese of Milwaukee. It is intended as a guide in the faithful performance of the tasks assigned to trustees as stewards of the parish's resources.

With the reception of this manual, I extend my blessing and renew my gratitude to you and to all who serve the Church in this important role in parish life.

Faithfully in Christ,

Most Reverend Jerome E. Listecki
Archbishop

Table of Contents

1. The Parish.....	1
Trustee – A Member of Parish Pastoral Council	5
Functions of Parish Pastoral Council	6
2. The Parish Corporation	
Trustee – Member of Corporation Board of Directors	8
Authority of the Corporation Board	9
3. Parish Trustees	
Archdiocesan Policies Regarding Parish Trustees	10
Position Descriptions	11
Election of Trustees	13
Term of Office	16
Resignations and Vacancies	16
Legal Matters	16
Parish Administration	20
<i>Effective</i>	
<i>Partnership</i>	
<i>Shared Responsibilities</i>	
4. Excerpts – Archdiocese of Milwaukee Parish Financial Management Manual	
The Parish Budget Timeline	23
Fund and Financial Management Guidelines	24
5. Finance Council	36
Buildings & Grounds	37-38
Cemeteries	39-40
Personnel	41-42
6. Appendix	
A. Parish Corporate Bylaws	43
B. Excerpts from The Code of Canon Law	47
C. Sample Documents	51
1. Letter Requesting Proxy	51
2. Waiver and Proxy	52
3. Trustee Candidate Nomination Form	53
4. Trustee Election Approval Form.....	54
5. Acceptance of Responsibilities as a Parish Trustee.....	55
D. Reporting Possible Financial Misconduct	56

THE PARISH

“A parish is a certain community of the Christian faithful, stably constituted in a particular church whose pastoral care is entrusted to a pastor as its own proper pastor under the authority of the diocesan bishop” (c. 515 §1).

This definition of parish lists several aspects that describe the essentials of what it means to be a parish.

A parish is a certain community....

This implies that the community should be identifiable by the members who compose it. That is, there should not be so much fluidity in membership that the parish community cannot be identified. The Christian faithful, incorporated in Christ through baptism, are the “people of God.”

Each parish community has its own unique identity since it is composed of the people who constitute it.

...stably constituted....

This means that parish communities are not formed and then quickly dissolved. The community’s stability is one of its hallmarks as parish. Only the diocesan bishop has the authority to establish, dissolve, or notably alter parishes, and he does so only after consulting with the diocesan council of priests (c. 515 §2). This provision further guarantees that parishes will retain a sense of identity and stability since they are not merely self-forming and self-dissolving groups.

Membership in a parish guarantees an individual that the community, through the ministry of the pastor and others, will attend to his/her pastoral needs.

... within a particular church...

The parish is part of the larger Church through its connection with a particular church known as a diocese and its bishop. Hence, the description of the parish includes the fact that a parish exists within a diocese “in which the one, holy, catholic and apostolic Church of Christ is truly present and operative” (c. 369). Parishioners are to be conscious not only of their parish communion, but also of the fact that they are members of both the diocese and the universal Church (c. 529).

...entrusted to a pastor*...

The pastoral care of the parish community is “entrusted” to a pastor who acts as its shepherd. The diocesan bishop is authorized to name a pastor.

Within the parish community the pastor carries out the duties of teaching, sanctifying, and governing in cooperation with other priests and/or deacons assigned to the parish and with the assistance of lay members of the community (c. 519). The pastoral care of the parish includes preaching and teaching the Word of God, catechetical formation and Catholic education, promoting social justice and evangelization. Pastoral care also includes visiting and caring for parish members, especially the sick, dying and those in special need (cc. 528-529).

Note: References to canon law are from the Code of Canon Law, Washington, D.C.: Canon Law Society of America, 1999, and used with permission.

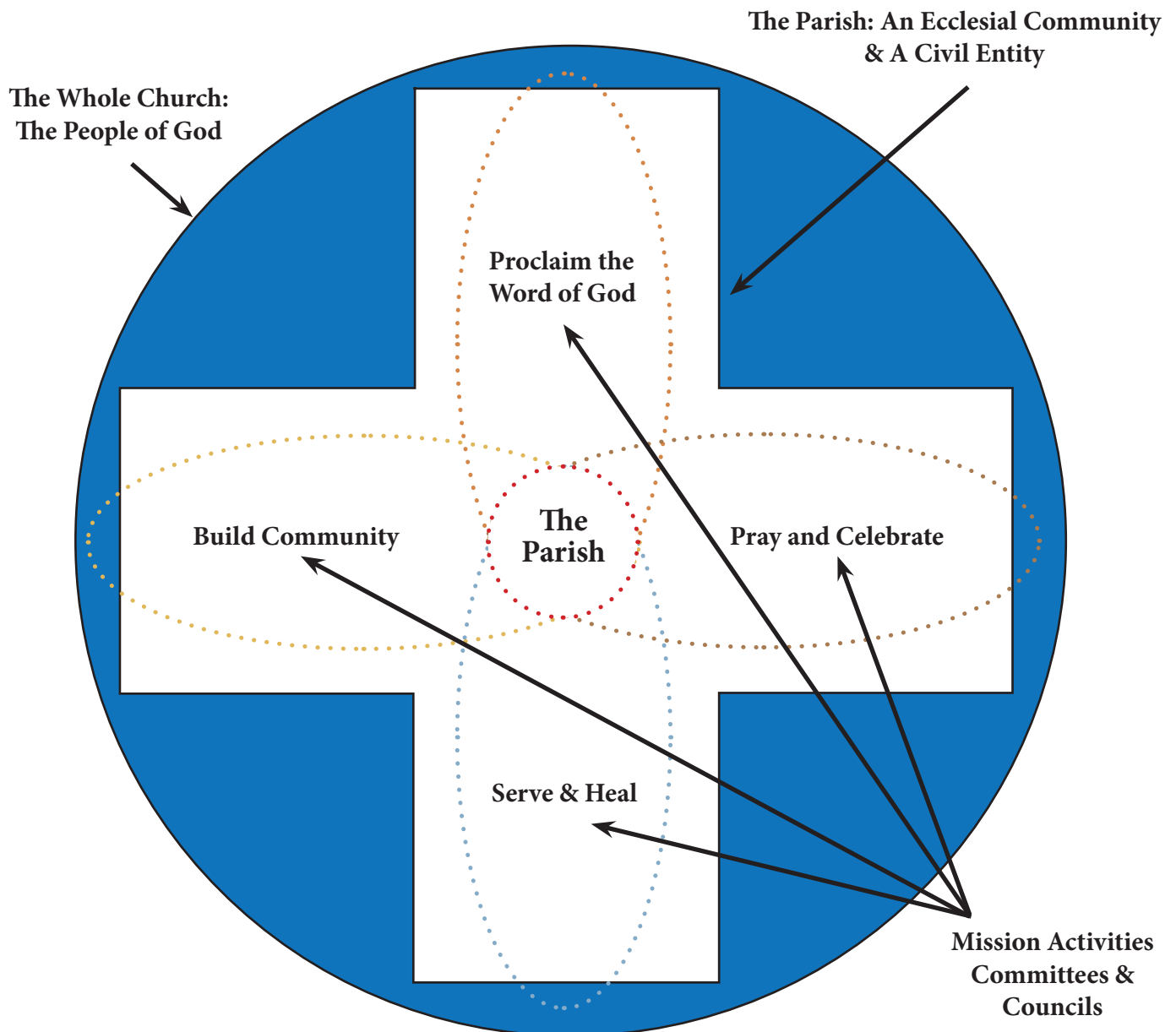
*** In this document the term “pastor” also applies to the person designated by the archbishop as priest administrator or parish director. See Appendix A, Article 1, section 1.**



HOW DOES A PARISH WORK?

Whatever happens in the Church today happens as God works through the people, the community of faith, women, men, and youth who gather faithfully to celebrate the mysteries of our faith.

Certain inter-related parish systems create the infrastructures that organize the **People of God**, give the members voice to discern the direction of the parish and ensure that the community carries out its mission. These parish systems include the **parish finance council**, **parish pastoral council and commissions/committees**, the **parish staff** – the administrative and management system, and the **parish corporation**, the legal entity.



THE PEOPLE OF GOD

The Vatican II documents refer to the Church as “the people of God.” The Christian faithful, a community of baptized people, gather as parish with diverse talents and needs, spiritual and temporal.



PARISH LEADERSHIP

Out of the faith community, God calls leaders to serve in a variety of ways.

- Some respond through religious vows or ordination. These members devote their entire lives to service to the Church.
- Others respond as professional lay ministers. These members direct their life's work to service of and with people in parishes.
- Most of us respond by sharing our time and talent, bringing faith to life through involvement with groups, committees or individually in our parishes and communities.
- Some parishioners respond by serving the parish community in lay leadership roles as:
 - Parish Pastoral Council members. These parish members work with the pastor, offering their wisdom, vision and spirituality to ensure that the mission of Jesus is carried out effectively.
 - Parish Finance Council members. These parish members offer their counsel and expertise to the pastor to ensure that the temporal matters of the parish are administered well.
 - Parish trustees. These parishioners are members elected to serve as members of the Parish Corporation Board of Directors. Trustees serve the parish as advisors, overseers and councilors, entrusted with assisting the pastor in caring for the corporate well-being of the parish.

PASTORAL COUNCIL AND PARISH ADMINISTRATION

Each parish is a network of interconnected systems and structures, which must be led and managed well in order to accomplish its primary mission of service. Understanding of both parish leadership and administration is vital to the parish trustees since they are involved in both.

TRUSTEE – A MEMBER OF PASTORAL COUNCIL

The trustees are members of the Parish Corporation Board of Directors and *ex-officio* **members of the parish pastoral council along with the pastor.**

Trustees need the same qualities as other council members. They need the same orientation to parish pastoral council ministry. They have the same rights and responsibilities, work from the same sense of shared leadership, and participate fully and equally in decision-making with other members of the council.

LEADING THE PARISH IN MISSION

The **pastoral council** is the parishioner-based leadership body that works with the pastor **to plan for pastoral activity in order to more effectively carry out the mission of Christ.** The focus is on mission, not on management. As stewards of Christ's mission in the parish, the main purpose of the pastoral council is pastoral planning. The work of the council is governed by archdiocesan norms and the Code of Canon Law.

PASTORAL COUNCIL MEMBERSHIP INCLUDES:

Ex-Officio Members

Pastor – Appointed by the archbishop
Trustee-Treasurer – Elected by the congregation,
subject to the approval of the archbishop
Trustee-Secretary – Elected by the congregation,
subject to the approval of the archbishop

At-Large Members

Parishioners selected from the congregation through a process delineated in the parish pastoral council norms and appendix.

FUNCTIONS OF PASTORAL COUNCIL ARE TO:

1. Be a vehicle for fulfilling the pastoral mission of Jesus and the Church by developing Catholic identity, promoting evangelization, and fostering stewardship.
2. Build a community of disciples who recognize their baptismal calls to lives of holiness, witness and service.
3. Engage in a continuous process of pastoral planning that takes into consideration the needs of its parishioners, the archdiocese, the community and the world.

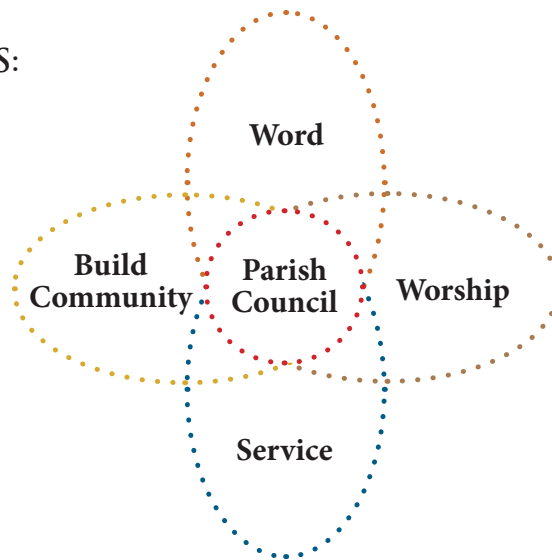
MISSION ACTIVITY OF THE PARISH FALLS INTO FOUR MAJOR HEADINGS:

Ministries of the Word

Ministries of Worship

Ministries of Service

Community Building



TRUSTEE AS MEMBER OF PASTORAL COUNCIL

The trustees cannot adequately carry out their responsibilities apart from the pastor and the other members of the pastoral council. **Shared leadership and a commitment to a common vision and goals foster a sense of team and promote teamwork in mission.**

Parish trustees cannot develop such a sense of identity and team apart from the pastoral council. Trustees need to be involved in council consultations and the hows and whys for action. They need to develop the unique insights which result from council deliberations. For these reasons, **archdiocesan policy requires that the two lay trustees, by reason of their positions in the Parish Corporation, are ex-officio members of the parish pastoral council.**

The two parish trustees need the same qualities as other council members. They also need the same orientation to the pastoral council. Trustees participate fully in council activities including retreats and days of reflection.

Trustees have the same rights and responsibilities as other pastoral council members, and they work from the same sense of shared leadership and responsibility. Their efforts should reflect the common vision developed by the council. These ex-officio members participate fully and equally in consultation with other members of the parish council.

A MISCONCEPTION ABOUT EX-OFFICIO STATUS ON COUNCIL.

There exists a misconception that ex-officio members do not participate in pastoral council decision-making.

In the Archdiocese of Milwaukee, all council members work together as they discern what is best for the parish in the light of the Gospel and the Church's teaching, and as they listen to what the Holy Spirit is saying to the people of God.

The Parish Pastoral Council norms states: The council shall have the following ex-officio members: the pastor(s), the associate pastor(s), and the two lay trustees. Ex-officio members participate fully and equally in all council matters. (*Norms, Membership 3.2*)

Therefore there is no such thing as a “non-participating” council member. **All members of the pastoral council, trustees and pastor included, participate fully and equally in council consultation and planning.**

Because of their duties as members of the parish corporation board of directors, trustees are not eligible to serve as pastoral council officers or chairs of the finance council or other parish commissions/committees. However, if the position of trustee brings a needed insight or expertise to a committee's work, a trustee may be a member of a committee. Pastoral councils should exercise caution in naming trustees as regular committee members since they already are members of the pastoral council and have additional duties as members of the parish corporation board of directors. “Meeting overload” is a real possibility if trustees are asked to be members of parish committees. If they are spread too thinly, their effectiveness can be compromised and they will often lapse into the role of passive observers rather than active participants.



THE PARISH CORPORATION

Each archdiocesan parish in the Archdiocese of Milwaukee is an independent religious corporation established according to the Civil Statutes of the State of Wisconsin.

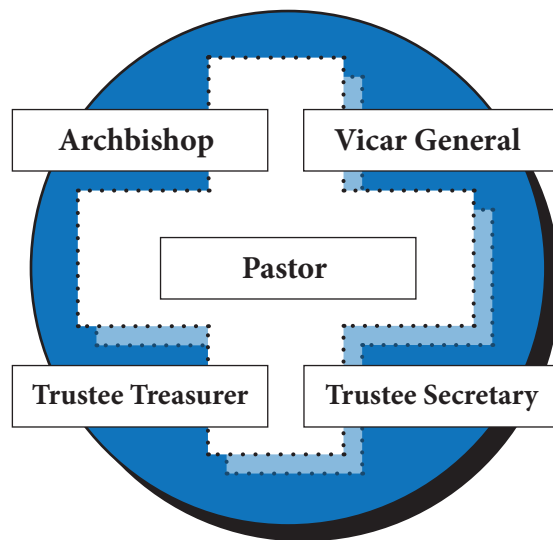
The parish corporation is a **civil body** created solely for legal purposes. It **has authority and competence only in those civil and secular matters** for which it was created.

THE CORPORATION BOARD OF DIRECTORS

The directors of the parish corporation board are the archbishop, a vicar general of the archdiocese, the pastor and two lay members of the parish referred to as “trustees.” The pastor holds the position of vice-president; the lay trustees serve as treasurer and secretary, and the archbishop is the president.

DIRECTORS OF THE PARISH CORPORATION ARE:

President	Archbishop
Vice-President	Pastor
Trustee-Treasurer	Parishioner
Trustee-Secretary	Parishioner
Member	Vicar General





AUTHORITY OF THE CORPORATE BOARD

The Board of Directors of the parish corporation administers all the temporal matters that are affected by **civil law**, such as:

- the acquisition, lease or sale of property
- execution of construction or major remodeling contracts investment management
- lending or borrowing money
- establishment of endowed or restricted funds
- similar transactions

Generally, the Board of Directors convene as required by such actions. There is no stipulated number of annual parish corporation meetings. According to the corporate bylaws, meetings are usually held at the discretion of the pastor, the vice-president of the corporation Board of Directors. (*see Appendix A, Article VI, section 2*).

PARISH TRUSTEES

ARCHDIOCESAN POLICIES REGARDING PARISH TRUSTEES

1. Trustees must be parish members, practicing Catholics and at least 25 years of age.
2. Bylaws require that trustees be elected every two years, by the parishioners, to serve a two-year term. Trustees serve until their successors are elected.
3. Parish staff and permanent deacons are not eligible to serve as trustees.
4. The archbishop, as president of the corporation, has the right to approve or disapprove any lay trustee elected by the parish or appointed by the pastor to succeed or to fill temporary vacancies of unexpired terms.
5. One trustee is designated as the trustee-treasurer and the other as the trustee-secretary.
6. Trustees are ex-officio members of the parish pastoral council and participate fully in the work of the council.
7. Trustees may not hold office on the pastoral or finance council nor serve as chairs of parish commissions/committees or as liaisons to commissions/committees.
8. At least one trustee (usually the treasurer) along with the pastor will ordinarily sign each check issued by the parish. Both trustees must sign in the absence of the pastor. The pastor may delegate affiliated organization officers to sign their checks if the organizations maintain their own accounts. Two signatures are required on all checks.
9. Parish trustees are not to initiate or respond to any lawsuit or legal settlement in the name of the parish without the written permission of the archbishop.
10. Parishes may require one or both trustees to serve on the parish finance council.
11. Parish employees and their immediate family members are ineligible to serve as trustees.
12. Trustees serve as unpaid volunteers. They may not receive compensation as employees or contractors.
13. As members of the Board of Trustees and Corporate Officers, Trustees have a duty of corporate loyalty which requires that they retain the confidentiality of all matters coming before them in this capacity unless authorized by the Board of Trustees to the contrary.



TRUSTEE-TREASURER

POSITION DESCRIPTION

According to the Parish Corporate Bylaws, the trustee-treasurer is responsible for keeping accurate and detailed accounts of receipts and disbursements for the parish. Most parishes have paid staff who carry out these accounting functions. The trustee-treasurer's particular responsibility is that of parish treasury activities. This includes the care and custody of funds, assets, supervision of banking, credit, and insurance. The trustee-treasurer is an ex-officio member of the pastoral council and may be required to serve on the finance council.

SUGGESTED RESPONSIBILITIES OF TRUSTEE-TREASURER

1. Oversees, coordinates or maintains accurate and detailed accounts of all receipts and disbursements of parish funds following the Parish Uniform Chart of Accounts for reporting operations of the parish. This is found in Chapter 3 of the *Parish Financial Management Manual*.
2. Coordinates bank deposits of parish funds; is familiar with banking regulations.
3. With the pastor, signs all checks for disbursements of parish funds as needed. (Checks **must** be signed by **two members of the Board of Directors, ordinarily one of whom is the pastor.**) The pastor may delegate affiliated organization officers to sign their checks if the organizations maintain their own accounts. Two signatures are required on all checks.
4. Coordinates parish property and casualty insurance coverage under the Archdiocesan Self -Insurance Program.
5. Coordinates collection of parish contributions and special collections.
6. Assists in preparation of annual parish budget according to the archdiocesan parish budgeting guidelines.
7. Oversees or assists in the preparation of financial reports to the parish and to the archdiocese.
8. Serves as an ex-officio member of the parish pastoral council and may be required to serve on the parish finance council.
9. Is familiar with the Parish Financial Management Manual. (See page 62.)



TRUSTEE-SECRETARY

POSITION DESCRIPTION

The secretary is responsible for corporate record keeping at the parish other than financial records, such as corporate minutes, documents, notices and correspondence. One of the major responsibilities of the trustee-secretary is to ensure that parish records are kept on parish grounds in an easily accessible and orderly fashion. The trustee-secretary is responsible for maintaining records of all real property, property tax exemption, the parish inventory and the parish census. The trustee-secretary is an ex-officio member of the parish pastoral council and may be required to serve on the parish finance council.

SUGGESTED RESPONSIBILITIES OF TRUSTEE-SECRETARY

1. Arranges and keeps minutes of any meeting of the Board of Directors; is responsible for the corporate book of minutes.
2. Signs corporate documents and affixes the corporate seal.
3. Attends to corporate notices and correspondence; provides the parish council with copies of resolutions and minutes as appropriate.
4. Records and files proxy documents and all corporate reports as prescribed by federal, state, local and archdiocesan authorities.
5. With the pastor signs parish checks as needed. (Checks must be signed by two members of the Board of Directors, one of whom must be the pastor.) The pastor may delegate affiliated organization officers to sign their checks if the organizations maintain their own accounts. Two signatures are required on all checks.
6. Assists in preparation of annual parish and archdiocesan reports.
7. Maintains records of all real parish property and property tax exemptions.
8. Assists in preparation of and maintains parish inventory and submits it as required to the chancery.
9. Assists parish staff in maintaining a current parish census, including the names and addresses of all parish members.
10. Is familiar with Parish Personnel Guidelines. (See page 62).
11. Serves as an ex officio member of the parish pastoral council and may be required to serve on the parish finance council.

ELECTION OF TRUSTEES

The rules governing election of parish trustees come from Wisconsin State Statute 187.19 which stipulates that trustees are to be elected “from and by the congregation.” Directives regarding election of trustees are contained in the Parish Corporate Bylaws (see Appendix A).

Parishes must follow these stipulations in order to comply with civil requirements.

CANDIDATE REQUIREMENTS:

Parishioners who are considering accepting nomination for the position of trustee must be

- Catholic
- A registered, practicing parish member
- At least 25 years old.

They must be educated about the position. Trustee nominees should also receive the same orientation as pastoral council members. In addition, they need to be familiar with the information in this book, *the Parish Councils Manual*, *the Parish Financial Management Manual* and *the Parish Commission and Committee Manual*.

WHEN ARE ELECTIONS HELD?

Since the term of service is a two-year term, trustees must be elected every two years.

Both trustees' terms can run simultaneously or they can be staggered, selecting one trustee each year. Each parish determines its preference in this matter. Staggering the terms provides for the continuity of a selection of a trustee each year, as well as attempting to avoid having two new trustees in the same year. However, simultaneous terms allow the parish to choose trustees every other year. The parish leadership should discuss the pros and cons of each situation and then formulate a policy regarding the pattern for election of trustees in their parish.

Each parish determines when it is best to hold trustee elections. This election may occur at the same time as the annual pastoral council selection process, which would allow the trustee candidates to participate in the orientation with the council candidates. However, the difference between the positions held by the trustees, and pastoral council members needs to be clear, both in understanding of the responsibilities and the selection process.

Since many parishes use a discernment process to select parish council members, it may be wise to separate the trustee election from this process.

On the other hand, the easiest way to comply with the state statute is through a parish election of trustees. After reviewing the following directives, other options will emerge.

PARISH TRUSTEE ELECTION TIMELINE

(Six weeks before the election)

NOTICE

Pastor gives notice of the upcoming trustee election. At this time the pastor may identify a nominee for the position. Reminders of the coming election are made for four successive weeks prior to the election.

ELECTION COMMITTEE

The pastor appoints an election committee to receive nominations, supervise and carry out the election.

NOMINATIONS OPEN

Nominations:

Candidates must be Catholic, registered, practicing parish members and at least 25 years old.

The pastor can nominate one candidate per opening.

Additional candidates must be nominated in writing by 10 or more registered parish members. (Use “Trustee Candidate Nomination Form” on page 53.)

Note that all trustees nominated for (re)election must be informed that they will be required to present a recent credit report to the pastor for review. It is highly recommended that the pastor review the credit report prior to nominating or accepting the nomination of a potential trustee. This will allow the pastor time to determine if there are any areas of concern that would not allow the potential trustee from fulfilling his/her fiduciary duties.

(Two weeks before the election)

NOMINATIONS CLOSE

Nominations must be completed.

If there is only one nominee for each position, nominations are closed and the nominee declared elected to the position.

ANNOUNCEMENT

If there is more than one nominee per position, the candidates’ names are announced at the weekend masses two weeks prior to the election.

ELECTION SUNDAY

The election must be held every two years by written ballot at any parish-wide meeting or before/after a designated weekend’s masses. Parish members, 18 years and older, are eligible to vote for the trustees.

ELECTION

Nominees who receive the highest number of votes become the trustees subject to the approval of the archbishop.

APPROVAL

After any trustee is elected or re-elected, the name is sent to the chancery for the archbishop's affirmation. (Use "Trustee Election Approval Form" on page 54.) The archbishop, president of the Board of Directors, has the right to approve or disapprove any lay trustee elected by the parish or appointed by the pastor to fill a temporary vacancy of an unexpired term. After the approval is given, a letter of confirmation is sent to the parish to be filed in their corporate record books.

ACCEPTANCE

Trustees indicate acceptance by signing and returning their "Acceptance of Responsibilities as a Parish Trustee." (See form on page 55.)

ELECTION OF TRUSTEES	
Weeks prior to election	Activity
6	Announce process of trustee election and date. Appoint election committee. Open nominations. Review credit reports.
5-4-3	Remind parishioners that nominations are open.
2	Nominations close. Candidates names are announced. Credit Report has been reviewed.
1	Candidates names are announced.
Election Sunday	Parishioners age 18 and older vote. Committee tabulates vote, reports results to pastor. Pastor sends request for approval to chancery.
Following week/s	Chancery forwards request to archbishop. Archbishop approves. Chancery sends approval notice to pastor. Trustees indicate acceptance by signing and returning their Statement of Understanding form. Pastor announces new trustee to parish.

TERM OF OFFICE

According to the Corporate Bylaws the trustee's term is renewable with no limitations as to consecutive terms. However, experience and common sense dictate that a person in a position of parish trustee for more than six years should consider moving on. Some pastors follow the two-term limit or 6-year total for pastoral council members and apply it to trustees. Exceptions are always possible as long as the attitude is one of service and not power, of openness and not control.

RESIGNATIONS AND VACANCIES

A trustee may resign by filing a written letter of resignation with the pastor. Vacancies can occur through death, resignation, long absence or inability to perform duties. In such cases the pastor has the right to appoint a substitute or successor, who is subject to the approval of the archbishop.

As part of the process of declaring a vacancy (a trustee's neglect of duties, failure to attend meetings, etc.) the remaining directors (archbishop, vicar general, pastor, trustee) must issue the declaration and appoint a substitute or successor (See Article IX, Section 2, Bylaws).

LEGAL MATTERS



1. Lawsuits

Parish trustees are not to initiate or respond to any lawsuit or legal settlement in the name of the parish without the written permission of the archbishop.

2. Acts of Administration Requiring Unanimous Consent of the Directors

Certain administrative matters dealt with by the parish corporation require that all five directors give their approval before the action is valid and legal.

Since two of the directors of the parish corporation, the archbishop and vicar general, are not ordinarily a part of the local parish scene, and since all five directors need to vote unanimously on the acts of administration listed below, the pastor and two trustees contact the archbishop and the vicar general for their vote by proxy.

ACTS OF ADMINISTRATION REQUIRING UNANIMOUS CONSENT OF THE DIRECTORS

1. Borrowing money in excess of \$300
2. Selling, mortgaging, leasing or other encumbering of parish property
3. Making an extraordinary expenditure of funds “already in hand” which is not a regular operation expenditure for any amount of money which exceeds 4% of the last year’s parish revenue. (See example on page 20.)
4. Establishing an endowment for any purpose (religious education, Catholic school, liturgical needs, building projects, etc.)
5. Entering into any building or renovation project. (In order to facilitate a workable process, the directors’ approval must be secured in the initial stage of planning. Consult with Procedures for Catholic Institutions in the Archdiocese of Milwaukee for Major Renovation and/or Building Construction regarding proxy process and review by Archdiocesan Building Commission.
6. To initiate a capital campaign

3. Requesting a Proxy

In order to secure the vote of the archbishop and vicar general, a letter explaining the proposal is sent directly to the archbishop by the pastor including the signatures of the two trustees and the pastoral council chair. The letter should contain the following information:

- A clear explanation of the situation
- Figures and funding matters
- Lender and payment schedule, if any is needed
- Timelines
- Identification of research or studies
- A statement about the consensus/vote of the pastoral council
- A copy of a lease agreement or endowment statutes, etc.

If the archbishop and vicar general support the proposal, they give their “vote by proxy” through the Chancery Office to the pastor.

WHAT IS A PROXY?

A proxy is the **document signed by the archbishop and vicar general** whereby they both **waive their attendance** at the parish directors' meeting **and ask** the pastor **as vice-president to vote on their behalf** as indicated in the first section of the document. (See sample, Appendix C.)

Proxies are always required and issued at various stages of a major construction process. (See Building Commission Guidelines, page 62.)

Two copies of the proxy document are prepared by the Chancery.

1. One is retained in the Chancery Office.
2. The other is returned to the parish to be signed by the pastor and trustees and then filed by the trustee-secretary in the parish book of corporate minutes.

EXTRAORDINARY ADMINISTRATION

Whenever a parish wants to use its own funds which it has on hand for an “extraordinary” expenditure (not a regular operation expenditure), the pastor must obtain a proxy from the archbishop for any amount of expenditure **which exceeds 4% of the last reported parish revenue**. That revenue figure is the one presented the previous year on the Annual Confidential Financial Statement, rounded to the nearest thousand.

In determining the proxy **minimum figure** for the parish, no other factors such as mortgage or school are to be used. If the 4% figure is below \$1,500, the parish may use \$1,500 as its proxy figure.

If on the other hand, the 4% figure is over \$30,000, the parish must use \$30,000 as its proxy **ceiling figure**. These ceiling figures are the amount of expenditure above which a proxy must be obtained for valid action.

Examples:

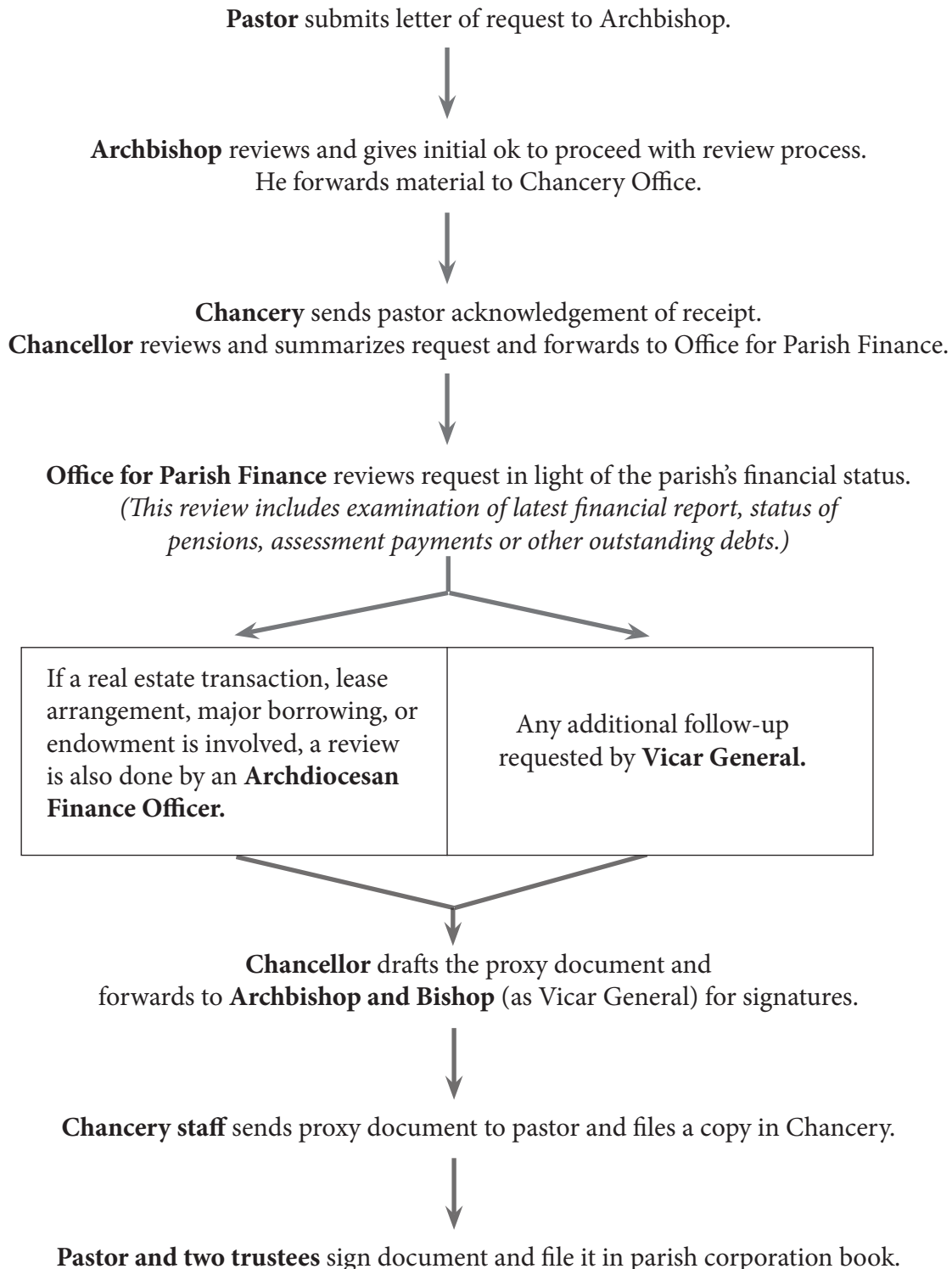
If the last reported annual income was \$325,650, the maximum amount that the parish may expend without a proxy is \$13,040 ($\$326,000 \times .04$).

If the last reported annual income was \$25,963, the amount that parish may expend without a proxy would be \$1,500, because the \$1,040 ($\$26,000 \times .04$) is less than \$1,500.

If the last reported annual income was \$810,565, the amount that parish may expend without a proxy would be \$30,000, because \$32,440 ($\$811,000 \times .04$) exceeds the ceiling limit of \$30,000.

The above required 4% formula applies in each instance a proxy is required. *The formulated amount should be determined each year by the parish Finance Council, based on the revenue figure in the Status Animarum of the previous year.*

PROXY PROCESS AT-A-GLANCE



PARISH ADMINISTRATION

Parish Administration is the action-system responsible for influencing and empowering people to accomplish the parish mission. The pastor is the chief administrator of the parish but may delegate administrative responsibilities to members of the parish staff such as a director of religious education, a school principal, a liturgist, a director of youth ministry, a business manager or a director of administrative services. The parish staff also serve as resources to the parish pastoral council, finance council, and commissions/committees.

The parish staff is the primary administrative and pastoral group in the parish. These are people hired by the pastor to assist with parish administration and ministry. They also manage the daily operations of the parish. Sometimes, especially in small parishes, parishioners may volunteer their time and talent to fulfill administrative responsibilities.



THE FUNCTIONS OF PARISH ADMINISTRATION ARE TO:

1. Assist in the development of the parish vision and goals
2. Formulate procedures consistent with the policies approved by the Archbishop to carry out the Church's mission
3. Monitor the daily operations of the parish
4. Design, implement and evaluate programs, personnel, services and activities of the parish
5. Manage efficient and effective use of financial, personnel and material resources
6. Maintain open communication with and among various groups and individuals in the parish
7. Define strategies to carry out the long-range goals of the parish
8. Facilitate the growth and development of the people, systems and relationships within the parish

EFFECTIVE PARTNERSHIP

An open, trusting relationship between pastoral council, finance council, and parish administration as well as a solid understanding of the roles and responsibilities of each group are necessary for effectively accomplishing the mission.

At times one group may be required to take a stronger leadership role than another, as in the case of a committee developing or implementing a parish initiative. At other times, the pastor, as the chief administrator of the parish, may be required to act autonomously. Communication and trust enable these two groups to work together for the good of the parish. The pastor and trustees are key links between the councils, administrative, and pastoral staff.

TRUSTEE AS MEMBER OF PARISH ADMINISTRATION

Regular communication with parish staff members and the pastor is beneficial for trustees in order for them to maintain knowledge of parish operations and activities. The most routine administrative task of the trustees is that of signing any and all checks issued by the parish. Archdiocesan policy stipulates that two directors sign each check. Ordinarily the pastor is one of the two signators. (c. 546) The pastor may delegate affiliated organization officers to sign their checks if the organizations maintain their own accounts. Two signatures are required on all checks.

The role of the trustees takes on many forms due to the individuality of each parish and each pastor. In one sense the trustees can be the pastor's closest advisors, giving their counsel on individual issues as well as moving the parish along the faith journey it envisions. In practical matters, trustees help with the administrative function of the parish by overseeing the accounting and personnel practices in varying degrees of involvement depending upon the traditions of the parish, the size of the staff and the attitude of the pastor. Most importantly the pastor and trustees seek mutual agreement on corporate responsibilities and procedures with no one acting independently of the others.

The Code of Canon Law establishes that the pastor represents the parish in all juridic matters (c. 532). That person is charged with the responsibility of administering the goods of the parish in accordance with canon law. In the Archdiocese of Milwaukee, under state law, trustees are mandated in all parishes. Canon law also requires every parish to have a finance council (c.537) to aid the pastor in administrative responsibilities.

One or both of the trustees may be required to serve on this council. Beyond these requirements, the pastor, as chief administrator, largely determines how the trustees will function in a particular parish.

The Parish Corporate Bylaws (Article IV) provide for the designation of trustee-secretary and trustee-treasurer. The position descriptions on pages 13-14 serve as a guide to parishes and trustees in determining the role and duties of trustees in the parish.

As members of both facets of the parish organization, trustees have the unique responsibility of the overall parish vision and how it is carried out through daily operations.

SHARED RESPONSIBILITIES

1. **Direction setting and policy development**

Parish leaders set and communicate a common direction to all. Policies which implement the direction should be clearly stated and communicated.

2. **Communication and public relations**

Open, two-way channels of communication, which provide for both sharing information and receiving feedback, are very important to the life of the parish.

3. **Material resources (property, buildings, equipment and supplies)**

These resources should enable the building of a community.

4. **Financial resources**

Parish leaders strive for proper stewardship of the financial resources available to the parish.

5. **Personnel resources**

People resources are vital in meeting the needs of the parishioners.

6. **Planning**

The parish should have a master site plan and a strategic plan to provide services, implement programs, and maintain the daily parish operations.

7. **Stewardship and membership**

Parishioners need to be regularly invited into personal ownership of the parish's vision by matching needs with talents.

8. **Marketing and development**

The parish's vision must be communicated to the public. Efforts should be made to secure adequate funding for the mission.



PARISH BUDGET TIMELINE

From: Archdiocese of Milwaukee Parish Financial Management Manual, 2013

4.10 Budget Timeline. As much time should be provided to the budget process as is needed in each individual circumstance. Sufficient time is necessary to allow those involved in the budget process to adequately prepare and review the data to be submitted. This should recognize that many facets of budget preparation include volunteers who are involved in the various programs as chairs, as well as staff and other interested parties. Contract timelines also have to be taken into consideration.

The following general timeline should provide sufficient time for all aspects of the budget preparation and approval process. The specific dates are arbitrary and should be adjusted to meet each parish's situation. The span of time indicated by the chosen date should be sufficient for most parishes to perform the necessary budgeting tasks.



- 4.10.1 *December 15*-Budget forms and instructions are to be distributed to all persons responsible for any program or function in the parish. Previous Fiscal Year, current Fiscal Year, and budgeted Fiscal Year financial data should be provided by the Budget Committee when these forms are distributed.
- 4.10.2 *January 31* - All completed budget forms should be returned to the Budget Committee, and assembled by designated members of that committee prior to review by the whole committee. In assembling the various program or function budgets, a consolidated budget should also be prepared.
- 4.10.3 *February 28* -The Budget Committee should complete the initial review of the proposed budget. The review should provide for suggested adjustments or areas of adjustment in order to insure a balanced budget. The Budget Committee should not make changes, deletions or additions.
- 4.10.4 *March 1-15* - The Budget Committee discusses proposed adjustments with persons responsible for the program budget preparations. The Budget Committee consults with the Finance Council and pastor/priest administrator if discussions with the program administrators fail to result in a balanced budget.
- 4.10.5 *April 1* The Budget Committee finalizes proposed budget and submits a summary of the proposed budget to Finance Council members in advance of the April Finance Council meeting.

FUND AND FINANCIAL MANAGEMENT GUIDELINES

From: Archdiocese of Milwaukee Parish Financial Management Manual, 2013

- 5.1 Introduction.** The management of the finances of any large organization is a complex task usually involving many different people performing different functions. The separation of functions is at the heart of what is called internal control.
- 5.1.1** In general, internal control includes all actions taken by an organization to safeguard its assets, verify the accuracy and reliability of its accounting data, foster efficiency and adhere to good management practices. Some of the more important features of a system of internal control include: physical protection of assets, adequate records, competent personnel, separation of accountability from physical custodianship, assignment of responsibility, division of work, rotation of personnel and internal audit and review.
 - 5.1.2** These features have been incorporated in the chapters in this Manual that address accounting, budgeting, financial reporting and financial review. There are a number of other financial management practices, however, that have not been addressed in those chapters. The purpose of this chapter is to provide guidelines for specific fund and financial management practices that will contribute to a good system of internal controls for the parish.
 - 5.1.3** The guidelines are arranged by topic and include financial control, receipts, disbursements, compensation and payroll, investments, unrelated business income and restricted funds. The guidelines provided in this section form the basis for much of the internal control questionnaire (Appendix 7-A) used in the formal Archdiocesan financial review.
- 5.2 Financial Control.** The fundamental principle that applies here is that there is one parish, not a lot of little parishes that happen to use the same name. The pastor, priest administrator or parish director is the chief juridic officer of the parish, and (s)he, along with the Finance Council, has the primary responsibility for controlling the parish financial affairs. This requires that affiliated parish organizations be accountable to the parish, and further requires that control of funds be maintained in a way that ensures that accountability. This can be accomplished by using well-established procedures that minimize the vulnerability of parish assets and provide a permanent record of the financial activity.
- 5.2.1** Financial record keeping is an important part of accountability. In the following sections, various types of records for receipts, disbursements and various authorizations are discussed. In all cases, they have historical value and should be preserved. It is important that each parish have an effective system of record keeping that provides complete documentation for all financial transactions. A double entry bookkeeping system must be employed.
 - 5.2.2** The key records must be preserved and safeguarded. In particular, all accounting records, investments and unused checks should be kept in a locked safe in the parish. Computer records must be backed up regularly, and record retention requirements must be observed for all reports and supporting documentation.

- 5.3 Accountability of Affiliated Organizations.** An “affiliated organization” is any group of parishioners or a group sponsored by parishioners that is participating in the mission of the parish, uses the name of the parish for identification and is not organized separate from the parish. It is specifically sponsored by the parish. All parish affiliated organizations are established in the parish bylaws, or by separate action of the Pastoral Council. Affiliated organizations are accountable to the parish, usually through the Pastoral Council or one of its commissions/committees.
- 5.3.1** Organizations such as the Home and School Association, Athletic Association, Holy Name Society and the Christian Women Society are usually established as affiliated organizations. Organizations that have their primary affiliation with another organization, such as Boy Scouts or Girl Scouts, Knights of Columbus or St. Vincent de Paul, yet use the parish as a sponsor or for identification are not considered affiliated organizations. Any other group that is not sponsored or authorized by the Pastoral Council is not an affiliated organization.
 - 5.3.2** Affiliated organizations enjoy all of the benefits of the parish including insurance coverage and tax-exempt status. Non-affiliated organizations do not enjoy those benefits.
 - 5.3.3** Affiliated organizations must maintain a full accounting for their activities to the parish. This includes any financial activities in which the organization may engage. Affiliated organizations must maintain books of account for those financial activities using the Parish Uniform Chart of Accounts (Chapter 3).
 - 5.3.4** In addition, affiliated organizations must provide financial reports to the Pastoral Council on a periodic basis as determined by each parish, but must report at least annually for inclusion in the annual parish financial reports.
 - 5.3.5** Affiliated organizations that maintain physical custody of funds must adhere to the internal control practices specified in this chapter.
 - 5.3.6** Each parish shall determine whether any affiliated organizations may maintain separate checking and savings accounts. If so, the parish shall determine the maximum balance that an affiliated organization can carry into a new Fiscal Year as well as the maximum amount that can be carried in the operating fund throughout the year. Funds in excess of that amount shall be transferred to the parish general fund, or to a parish-designated fund.
 - 5.3.7** When an organization maintains its own bank and investment accounts, the original statements must be mailed to the parish mailing address. The pastor must be a signer on all accounts, although he may delegate the actual signing of the checks to officers of the organization. Two original signatures are required on all checks.
- 5.4 Financial Accounts.** It is not uncommon for a parish to have multiple checking accounts, savings accounts and money market fund accounts. Often, however, these accounts have low balances, do not earn interest, and are subject to continuing service charges. Such accounts are often established without the authority and signature of the pastor, priest administrator or parish director. Multiple accounts reduce accountability and lessen the effectiveness of internal controls.

- 5.4.1 Each parish should reduce the number of financial accounts to a minimum, consolidating the various savings accounts and the various checking accounts into single accounts. Such a consolidation maximizes the earnings on parish funds and provides the highest level of accountability. There are a number of other practical benefits as well.
- 5.4.2 The use of a single checking account means that the different programs or functions and the different affiliated organizations do not have to maintain separate books of account. All accounting is accomplished through the parish books of account using the program or function code (prefix) to maintain the separate identity of the accounts.
- 5.4.3 For programs, functions, or affiliated organizations that generate revenue that is designated for use by that activity, separate revenue accounts can be established that preserve the activity's control. The parish (through the Finance Council) will determine maximum revenue account levels as well as carry-over provisions (Section 5.3.6).
- 5.4.4 Affiliated organizations typically have a periodic rotation of officers, with willing treasurers often lacking the accounting skills needed to maintain effective and accurate books of account. A consolidated account eliminates the necessity for the organizations to maintain those books.
- 5.4.5 Each parish should periodically survey local financial institutions to determine what accounts have been established in the name of the parish. All such accounts should be verified as being authorized.
- 5.4.6 The pastor, priest administrator or parish director must be one of the signators on all separate checking accounts, savings accounts, and other financial accounts.

5.5 General Procedures for Receipts. Receipts include all monies received by the parish whether in the form of cash or check. Specific procedures relating to collection receipts, fund raising receipts and tuition receipts are addressed in separate sections. The following procedures must be followed regardless of the type of receipt.

- 5.5.1 All receipts must be counted, deposited on a timely basis and recorded in the appropriate parish or school records. If receipts cannot be deposited daily, they must be kept in a locked safe until a bank deposit can be made.
- 5.5.2 Prenumbered receipt forms must be used where issuance of a receipt for monies (cash or other non-traceable form of payment) received is appropriate.
- 5.5.3 Bank reconciliations must be conducted on a timely basis within two weeks of receipt. Someone independent of other cash functions must open the bank statements and review the activity before the bank reconciliations are prepared. A trustee or member of the Finance Council must review completed reconciliations, paying particular attention to significant, unusual, or recurring reconciling items. The person reviewing the reconciliation must sign and date the paper copy to indicate the review has taken place. Bank reconciliations must be retained for future reference. When bank reconciliations are prepared using the accounting software, a paper copy of the reconciliation report must be printed and retained.

5.5.4 All cash receipts must be summarized and reported to the finance council or other appropriate individuals on a regular basis (at least monthly).

5.6 Collection Receipts Procedures. Collections refer to cash or check contributions received from general parish collections during church services or meetings. The following procedures will help to ensure the integrity of this major source of parish revenue.

- 5.6.1** Loose cash and envelopes must be collected by ushers during the service and must be taken immediately to a secure location. If the collection basket is placed at the altar as part of a presentation of gifts at the Offertory, two individuals must be assigned to remove this basket after the distribution of communion and take the basket to the secure location. The collection may be counted immediately following the mass, or it may be counted on the first workday after the weekend. The entire unsorted collection must be placed in tamper evident bags and stored in a locked, fireproof safe, or placed in the bank night depository, until it is counted. The collection must remain in view of at least two individuals at all times. A tracking log must be used to document the chain of custody of the tamper evident bags until it is counted.
- 5.6.2** At least two unrelated people must be present when cash is counted after collections. The count sheets must be signed by the counters.
- 5.6.3** When counting collections, loose collections must be counted separately from those received in envelopes. This will facilitate the reconciliation of the envelope amount at a later time.
- 5.6.4** The counters must restrictively endorse (“For Deposit Only in the Account of [Parish Name]”) all checks received in the collections.
- 5.6.5** As amounts received in envelopes are counted, the amount is recorded on the face of the envelope.
- 5.6.6** The counters must prepare a deposit slip and all amounts should be deposited in the bank deposit vault immediately after all collections for the day are completed. Any amounts not deposited must be kept in a locked fireproof safe.
- 5.6.7** Envelopes and count sheets must be forwarded to the parish bookkeeper. The bookkeeper must record the deposit in the parish checkbook or ledgers.
- 5.6.8** The bookkeeper shall post identifiable contributions (i.e., envelope users) to each parishioner’s individual record. The bookkeeper must also reconcile the amounts posted to the envelope amount plus loose collections indicated on the deposit slip.
- 5.6.9** Individuals performing the counting must be rotated on a regular basis. There should be an odd number of teams consisting of at least two unrelated persons on each team. No team is allowed to count the same week each month.
- 5.6.10** Periodic statements must be sent to all parishioners listing the contributions made. At a minimum, annual statements must be sent. The contributions must be listed by date and amount on the statements for any payment received in a single day of \$250 or more. The statement must state that no goods or services were received in exchange for the donations.

5.6.11 Collections for others (e.g., Catholic Stewardship Appeal) must be remitted by the specified due date for the particular collection.

5.7 Fund Raising Receipts Procedures. Various fund raising events conducted by parishes generate a substantial part of the parish income. These events often involve large amounts of cash and can represent moments of high vulnerability. The following procedures must be followed by all persons involved in parish fund raising activities.

5.7.1 During fund raising events, the parish must appoint two individuals to control and frequently collect all cash receipts. Similar to collections, all cash must be taken to a secure location for counting. Large amounts of cash must not be left to accumulate for a long period of time.

5.7.2 At least two unrelated people must be present when cash is counted. Signed countsheets or logs of those present must be maintained.

5.7.3 The counters must restrictively endorse (“For Deposit Only in the Account of _____”) all checks received.

5.7.4 All amounts received must be deposited in the bank deposit vault as soon as possible after the event. Where large amounts are involved, periodic deposits must be made during the event. A copy of the deposit slip(s) must be given to the bookkeeper. Any amounts not deposited shall be kept in a locked fireproof safe in a tamper evident bag with a tracking log.

5.7.5 The bookkeeper must record the deposit in the checkbook or parish ledger.

5.7.6 The parish is responsible for obtaining all licenses and permits (e.g., Bingo, raffle, liquor licenses) for all parish activities, and for filing all required reports and tax returns related to these activities. Copies of all reports that are completed and submitted by volunteers must be reviewed for accuracy and timeliness and retained in the parish office.

5.7.7 No expenses shall be paid directly from the cash receipts of an event or fundraiser.

5.8 Tuition Receipts Procedures. The following procedures regarding the handling of tuition receipts must be followed.

5.8.1 All tuition must be received at one location by one or two designated individuals.

5.8.2 Prenumbered receipts (for cash payments) or a printed statement must be issued for all tuition collections. A copy of each receipt must be maintained by the parish or school.

5.8.3 Checks must be restrictively endorsed immediately upon receipt. All amounts should be deposited in the bank account on a daily basis. A copy of the deposit slip must be given to the bookkeeper, and the bookkeeper must record the amount in the checkbook or appropriate ledger.

5.8.4 A separate record must be maintained for each student indicating the total tuition charged, the date and amount of each tuition payment and the remaining balance due. The amounts due shown on each record must be totaled at the end of each month and recorded on the school’s financial statements as “Tuition Receivable.”

5.8.5 Appropriate written criteria and procedures must be established for following up on past due tuition and responsibility for such follow-up must be clearly designated.

5.9 Procedures for Disbursements. While it is important to safeguard all receipts for the parish, it is equally important to ensure that disbursements are made for legitimate parish purposes. The following procedures must be followed to establish that legitimacy.

5.9.1 Parishes must designate individuals who are authorized to order supplies and place orders on the parish's behalf, including contracts for maintenance, repairs and construction.

5.9.2 Before authorizing expenditures, the parish budget must be reviewed to ensure that the expenditure had been budgeted.

5.9.3 Receipts, invoices and other support for all disbursements must be maintained on file in an orderly manner. Detailed receipts are required as support for all summary invoices and credit card bills. Recurring payments must be supported by documentation for each check written. Requests for reimbursement, including priest's professional allowance, must be accompanied by detailed receipts.

5.9.4 Before approving payment, the delivery of goods or services must be verified, and the invoice reviewed for mathematical accuracy. The proper account to be charged should also be included on the invoice. Approval must be evidenced by signature or initials on the invoice, or a completed check request with similar information attached to the invoice. Sales taxes must be adjusted off the bill before payment is made.

5.9.5 Purchase discounts shall be used whenever possible. Invoices shall be processed to take advantage of early payment discounts where available. Payments must be scheduled so that late payment charges are never incurred.

5.9.6 After invoices have been properly approved by those individuals designated to perform this function, the checks are prepared by the bookkeeper with the appropriate supporting documentation or invoices attached and given to the authorized signators for their review and signature. Prenumbered checks must be used for all disbursements (other than those made through petty cash funds).

5.9.7 Two original signatures are required on all disbursements. In most cases, the first signature is that of the person who is functioning as treasurer. The pastor, priest administrator or parish director will be the second signer, and must review all support for the disbursement prior to signing. This prevents fraudulent check writing and makes the pastor, priest administrator or parish director more aware of where the monies are being spent. The parish bookkeeper or business manager may never be a check signer. Under no circumstance shall the check be returned to the bookkeeper for mailing.

5.9.8 Under no circumstances shall blank checks be presigned by one of the signators, nor shall a rubber stamp be used for signature.

5.9.9 All disbursements must be recorded in the checkbook or ledgers promptly.

- 5.9.10** Once paid, all receipts, invoices, etc., must be marked paid, with date and check number identified to assure that such items are not paid twice by mistake.
- 5.9.11** All disbursements for extraordinary expenditures of funds that will exceed the ceiling figure for the parish must have a proxy signed by the Archbishop and Vicar General before the disbursement can be made. The ceiling figure is determined annually based on the lesser of \$30,000 or four percent of the parish's previous year revenue. The proxy requirement applies for each project where total disbursements exceed the ceiling figure.
- 5.9.12** All disbursements must be summarized and reported to the finance council or other appropriate individuals on a regular basis (at least monthly).
- 5.10 Petty Cash Fund Procedures.** A petty cash fund provides an amount of cash set aside for the purpose of making immediate small expenditures such as freight or postage, which, if paid by check, would cause delay, annoyance and excessive expense of maintaining additional records.
- 5.10.1** A petty cash fund may be established by a parish. Separate petty cash funds may be established for various functions such as the bookstore, cafeteria, parish office or school office.
- 5.10.2** A petty cash fund must be established with a definite amount of cash. Limits may be established for individual disbursements as well. A single person must be designated as the cashier for a given petty cash fund. The cashier assumes full responsibility for the operation of the fund.
- 5.10.3** Disbursements from the petty cash fund must meet the same documentation requirements as any other disbursements that would normally be paid by check. Vouchers are used to support each disbursement.
- 5.10.4** The fund must be reimbursed periodically for the exact amount of the vouchers so as to restore it to its original sum. When reimbursed, the vouchers must be given to the bookkeeper for posting to the proper expense accounts.
- 5.10.5** Revenues from any activities such as the sale of supplies or tickets shall not be deposited to any petty cash funds nor shall the fund be used to cash checks.
- 5.11 Compensation and Payroll Procedures.** The proper recording and maintenance of payroll records is important not only for insuring that employees receive their just compensation and for determining the costs of parish operations, they are also required for federal and state tax purposes.
- 5.11.1** The Internal Revenue Service defines an employee as “anyone who performs services subject to the will and control of the employer both as to what shall be done and how it shall be done” and receives some type of remuneration for such services. The parish will generally employ two types of individuals: clergy and lay employees. Generally, clergy are not subject to social security taxes or income tax withholding, while lay employees will usually be subject to these provisions. Members of religious orders are not compensated individually. Rather, compensation for individual services is provided to the administration of the religious order.

- 5.11.2** Each parish must have a payroll system that records current period earnings, by employee; quarterly and annual earnings, by employee; and current, quarterly, and annual totals for taxes withheld from all employees. Various payroll services are available to assist in the preparation of payroll checks and the various reports required.
- 5.11.3** Salaries and other compensation for individual parish employees must be approved by the pastor and trustees at initial hiring. Compensation levels should be determined using the fiscal parameters established at the beginning of the budget process (see section 4.5) and the provisions of the several salary plans for clergy and lay employees in the Archdiocese of Milwaukee. The percentage or level of increase or decrease from previous levels and the resultant total dollar amount in salary should also be documented in the minutes of the Finance Council or other appropriate party. While salary levels are approved at a general level by the Finance Council, the sensitive nature of salary information requires that individual salary information not be disclosed in that public forum. This will provide adequate support for the amounts being paid. For schools, the teachers' contracts provide the support.

5.11.3.1 Employment and Professional Service Contracts: Teacher and School Principal contracts of one year in duration are always allowed and constitute a standard operating procedure of parish and collaborative schools. For all other parish and school staff positions, the standard operating procedure is employment "at will" and the use of an employment contract is strongly discouraged. In the event that a parish feels that an employment contract is absolutely necessary to attract and/or retain a key employee, the following procedure will be used:

Employment and professional service contracts require a two-step approval process which must be completed prior to the execution of the contract with the employee or firm. The parish is first required to have the proposed contract and its terms reviewed by the Archdiocese Department of Parish and School Personnel. If necessary, the Archdiocese may also refer the contract to an approved employment law attorney for further review and revision. Any legal expenses incurred will be the responsibility of the parish. All guidance provided by both the Archdiocese and the employment law attorney must be followed by the parish.

The contract must then be approved by the parish Administrative Services / Finance Committee (or Personnel Committee). The minutes of the related meeting must indicate that the contract has been reviewed by the Archdiocese, that the committee has approved all compensation referenced in the contract, and that the committee has given full consideration to the parish's ability to meet its financial obligations under the contract. The approved employment or professional service contract must then be signed and dated by the pastor / priest administrator / parish director and the trustee treasurer prior to its execution with the employee or firm.

A copy of the employment or professional service contract (signed by all parties) must be maintained in the employee personnel or applicable vendor file at all times. Under no circumstances should a parish ever execute an employment or professional service contract for a period of longer than one year.

- 5.11.4** For part time or other employees paid on an hourly basis, some type of time report must be prepared by those individuals and approved by their supervisors. Paychecks should only be made out after this approved time report is received.
- 5.11.5** The regular payroll must be reviewed by someone independent of the preparation prior to the issuance of payroll checks. The purpose of this review is to ensure that it has been prepared properly and is reasonable in light of parish and school operations. That person must also follow up on a regular basis to ensure that withholding taxes are properly paid to the appropriate taxing authorities. All payroll payments must be made by pre-numbered checks or by secure direct deposit.
- 5.11.6** Parishes are responsible for withholding federal and state income taxes and FICA (social security) tax from certain employees. In addition, parishes are responsible for the employer's portion of the FICA tax. Periodic reports and payments are required from parishes. A tickler system should be established to ensure that those reports and payments are made on a timely basis.
- 5.11.7** All eligible lay employees must participate in the Archdiocesan Lay Employee Retirement Plan with the parish providing timely contributions. Since parish employees are not covered under governmental unemployment programs, each parish is encouraged to participate in the "Church Unemployment Pay Program" for each eligible employee. Parishes may offer participation in various health insurance programs as part of the total employee compensation. Archdiocesan policy requires that parishes pay at least 85% of the cost of the health insurance premium for single coverage and 70% of the cost for family coverage.
- 5.11.8** Contribution to pension plan for all diocesan priests:
1. In keeping with the salary reduction agreement, mandatory payments to the pension plan are calculated in accord with a uniform reduction scale based on years of service for all priests.
 2. These pension payments are a personal contribution from each priest; it is an injustice for a parish or other paying unit to contribute this amount from monies other than from those withheld from a priest's monthly salary. The payment in any other manner would result in serious tax ramifications.
 3. An annual statement is sent to each priest to remind him of how much he owes to the pension plan; care should be taken that the paying unit does not double pay. The priest's portion of his pension is deducted from his pay, pre-tax, by the employing entity and remitted accordingly. If the priest changes assignments, the new employing entity will withhold his pension contribution and remit it accordingly.
 4. All parishes or employing units are assessed annually for the employer's share of the pension plan, which is equal to the priest's share (see worksheet 4), and which is distinct from the priests' personal contribution through salary reduction. The parish or institution where the priest is assigned on or effective July 1 is responsible for the entire annual contribution for the employer's share to the pension plan.

For religious priests assigned to parishes:

1. Religious Order Priests serving as pastors or associate pastors in parishes within the archdiocese are eligible for retirement benefits from parish funds.
2. Each parish staffed by Religious Order Priests will be responsible for an annual retirement contribution based on the statement mailed to the parish. The contribution is determined by the Archdiocese and is the equivalent to that provided for diocesan priests.
3. This retirement contribution shall be forwarded by the parish to the provincial headquarters of the respective religious community. A list of the priests and the amount contributed for each should accompany the contribution.

5.11.9 Employees may choose to participate in a tax sheltered annuity program. If a parish enters into a formal written contract with any one of its employees whereby such employee agrees to take a reduction in the salary previously agreed upon, such amount of reduction may be remitted to an authorized TSA program of the employee's choice to pay the premium of a "Tax Sheltered Annuity." The Internal Revenue Service outlines the conditions which **MUST** be met by the parties to the contract in order to eliminate this part of the employee's compensation from income tax (the payment is not exempt from social security tax). One of the I.R.S. requirements is that the employer treat the payment on his books as a payment of a fringe benefit and **NOT** as salaries or wages. The payment resulting from the reduction from the priests' salary and paid to the Priests' Pension Plan is considered such a fringe benefit. (See account XX-4070 in the Parish Uniform Chart of Accounts).

5.12 Investment Procedures. Stewardship demands that, among other things, parish administrators use their available talents to provide the necessary financial support to accomplish the parish's mission. Investment of parish resources in revenue producing instruments supports that responsibility. In making such investments, administrators are cautioned to be prudent and consider the risk of the investment as well as be aware of the socio-economic implications of possible investments. The following guidelines are intended for administrative support.

- 5.12.1 Any excess cash balances should be maintained in an interest-bearing, government insured financial account. The Southeastern Wisconsin Catholic Parish Investment Management Trust and the Archdiocese of Milwaukee Catholic Community Foundation are excellent vehicles for longer-term investment funds. For information on the latter, contact the Department for Finance and Administration.
- 5.12.2 All savings accounts and money market accounts must be updated quarterly.
- 5.12.3 The parish must maintain a schedule of investments and other assets that are movable and valuable.
- 5.12.4 Negotiable investments must be kept in a locked fireproof safe.
- 5.12.5 All such assets and investments must be maintained under dual control, allowing access to them only when two or more individuals are present.

- 5.12.6 All registered securities, stocks, bonds, or notes must be registered in the name of the parish.
- 5.12.7 Each parish must establish its own detailed investment guidelines based on established archdiocesan policy and implement proper controls and oversight to ensure the guidelines are followed.
- 5.12.8 The market value of all assets and investments should be determined annually and reported to the Finance Council.
- 5.13 **Fixed Assets Procedures.** In addition to accounting for other assets and financial transactions, parishes must account for their fixed assets. These include items such as land, improvements, building equipment, furniture, tools and fixtures that have a useful life over many accounting periods.
- 5.13.1 Fixed assets in the Archdiocese of Milwaukee include all tangible property and real estate that cost more than \$500.00 and have a useful life of two years or more.
- 5.13.2 Each parish should maintain a fixed asset record that includes the following information for each asset:
- Item description
 - Manufacturer serial number
 - Physical location
 - Custodian
 - Purchased/received from
 - Purchase/donation date
 - Purchase price/fair value at donation
 - Estimated life
 - Estimated salvage value.
- 5.13.3 A periodic inventory of all fixed assets should be conducted not less than every three years.
- 5.13.4 All titles and property records must be maintained in a safe place.
- 5.14 **Cemeteries Procedures.** The guidelines for receipts and disbursements described elsewhere in this chapter apply to the maintenance and operation of cemeteries as well. In addition, the following guidelines must be followed.
- 5.14.1 Cemetery records (Perpetual Care, Lots, etc.) should be maintained in the cemetery office or in the parish office.
- 5.14.2 Records should be stored in a fireproof safe. Duplicate records must be kept at a separate location and reconciled to each other at least annually.

- 5.15 Restricted Funds Procedures.** Restricted funds include amounts specified in writing by a donor to be used for a specific purpose. The donor specifies the nature of the restriction, including the purpose for which the funds may be used and whether both the principal and the interest may be used for that purpose. Those funds where the donor stipulated that the principal be invested and maintained intact and in perpetuity, with only the income earned from the investments being available for use, are called endowment funds. The guidelines for receipts and disbursements described in this chapter apply to these funds as appropriate. The following guidelines address the nature of the restrictions.
- 5.15.1** Each restricted fund must have complete documentation as to the nature of the restriction. Copies of wills, bequests, letters of instruction or other instruments specifying the restriction must be maintained in a safe place.
- 5.15.2** The person administering each restricted fund must prepare an annual report to the Pastoral Council summarizing the fund activity during the past Fiscal Year. This report must identify any current or future problems with complying with the intent of the donor.



In each parish, there is to be a finance council 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 selected according to these norms.'

(Code of Canon Law c. 537)

The Code of Canon Law, Latin-English Translation. 1999

FINANCE COUNCIL

DESCRIPTION:

The Finance Council consults with the pastor in all parish financial matters, except to the extent limited by church or civil law or archdiocesan policy. The council works closely with the pastoral council and is supportive of all other commissions and committees. This council does not decide priorities for the parish. That is the responsibility of the pastoral council.

RESPONSIBILITIES:

1. Provides advice and guidance to the pastor in the administration of parish assets.
2. Prepares the parish budget, any budgets for extraordinary expenditures, and reviews financial statements.
3. Monitors the financial condition of the parish, including regular financial reviews/audits as well as the internal financial control by following the recommendations in the audit/review.
4. Reviews any indebtedness of the parish and assists the pastor in fulfilling his obligations under canon 1284.5 ("pay the interest on a local or mortgage when it is due and take care that the capital debt itself is repaid in due time").
5. Provides assistance in the formulation and communication of an annual financial report to the parish community as required by canon 1287.2.
6. Approves financial statements for submission to the Archdiocesan Office for Parish Finances.
7. In addition to the pastor, 5 to 7 members serve on the council. At least two are selected by the pastoral council and at least two are appointed by the pastor. One or both trustees are optional members as determined by the parish.

POSSIBLE COMMITTEES OF THE FINANCE COUNCIL

- Budget
- Buildings and Grounds
- Personnel Policies and Guidelines
- Parish Cemetery

BUILDINGS AND GROUNDS COMMITTEE

DESCRIPTION:

The concerns of this committee involve the physical conditions of parish property, its maintenance and upkeep. This committee identifies and articulates the needs of the parish in this area and makes recommendations to the Finance Council.

RESPONSIBILITIES:

1. Periodically inspects all parish properties and recommends priorities of needed repairs, remodeling, and new construction.
2. Evaluates current needs with regard to parish properties, and plans for future requirements.
3. Writes necessary specifications for desired repairs and has several contractors submit firm quotations.
4. Studies bids and makes recommendations to the finance council.
5. When possible finds parishioners who will donate their time and talent to handle necessary work.
6. Recommends purchase of equipment, supplies and qualified maintenance services.
7. Prepares guidelines concerning use of parish facilities.
8. Recommends policies regarding safety (ice and snow removal, fire hazards, playground conditions, handicapped accessibility, etc.) and security.
9. Inspects regularly for hazards.
10. Studies parish needs for heat, lighting and air conditioning with the aim of conserving energy.
11. Assures adequate parking facilities and traffic handling.
12. Maintains regular visual inspection of buildings and properties.
13. Makes certain rental or leasing of parish buildings complies with the laws of the state and archdiocesan policies.

14. Maintains a complete set of architectural plans, drawings, specifications, etc. which cover all existing buildings and remodeling projects of the parish plant.
15. Consults with the archdiocesan building commission when developing plans for an extensive remodeling or building new facilities.

COMMITTEE MEMBERS:

Persons knowledgeable in areas of construction, building trades, maintenance, etc.; This committee needs to be especially vigilant in regard to the potential for conflict of interest. No person may serve on the committee who is a vendor or provider of a service to the parish.



PARISH CEMETERY COMMITTEE

What is presented on Parish Cemetery Committees should be utilized as a “starting point” for basic information and further discussion. Parish cemeteries require oversight and accountability just as other parish ministries.

DESCRIPTION:

The Parish Cemetery Committee provides a vehicle that enhances the ability of the parish to administer the parish cemetery facility. The Cemetery Committee is advisory in nature. It advises the pastor on cemetery operational matters, makes policy suggestions regarding the cemetery operation and may fill a procedural role, acting as the “buffer” between the cemetery operation and the parish. This committee, when properly constituted and fully implemented, will improve communication with the parish community, reduce the potential for illegal practices and contribute to a more fiscally responsible operation of an important parish ministry. It will encourage cooperation among the Pastor, the committee and the parish membership and allow safeguards to be put into place that will insure the on-going, long-term viability of the parish cemetery even in the face of changing pastors, changing committee personnel, and changing parish demographics.

RESPONSIBILITIES:

There are several basic functions that apply to Parish Cemetery Committees just as they do to any other parish organization:

1. Internal Controls

All of the internal control procedures mentioned in Chapter 5 of the Parish Financial Management Manual apply to the Parish Cemetery Committee. These include, but are not limited to:

- The pastor must be an authorized signatory on any and all bank accounts and investments.
- If there is a separate checking account for the parish cemetery, two signatures must be on every check, one of which must be the pastor's. The maker of the checks cannot be a signatory.
- Appropriate documentation (such as an approved invoice) must accompany each check presented for signature.
- Periodic financial reports must be prepared for reporting to the parish community, including a minimum of a balance sheet and statement of revenues and expenditures.

Please refer to Chapter 5 of the Parish Financial Management Manual for a complete listing of internal controls.

2. Legal Requirements

The Parish Cemetery Committee is responsible for assuring that the parish cemetery is operated under both church (canonical) and civil laws. Questions regarding legal matters should be referred to the Chancery or Finance Office at the Archdiocese of Milwaukee.

COMMITTEE MEMBERS:

A parish cemetery could be an important asset to the parish. However, the converse is also true: if left unattended, the parish cemetery can become a tremendous liability. Membership on the cemetery committee requires patience, dedication and a love of ministry to God's people. It is an opportunity to deal with the temporal goods of the church, making tangible the Catholic belief in the resurrection as well as the pastoral contact with people who have lost loved ones.

REFERENCES:

Archdiocese of Milwaukee Parish Financial Management Manual, NCCC Smaller Cemetery Committee, Parish Cemetery Board Guidelines

**Archdiocese of Milwaukee Central Office
of the Catholic Cemeteries & Mausoleums**

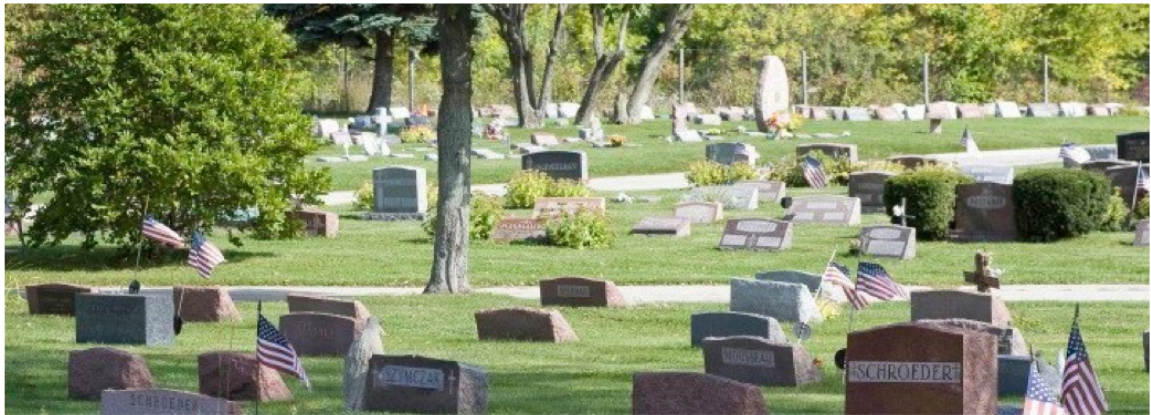
7301 W. Nash Street Milwaukee, WI 53216 (414) 438-4430

Department for Archdiocesan Finance/Administrative Services

3501 South Lake Drive

P.O. Box 070912

Milwaukee, WI 53207-0912 (414) 769-3334



PERSONNEL COMMITTEE

DESCRIPTION:

The basic functions of the parish personnel committee are:

1. To develop a comprehensive personnel system, including personnel planning on the local level;
2. To monitor its implementation and administration.

This committee makes recommendations to the finance council concerning the adoption of parish personnel policies. Actual hiring, supervising, evaluating or terminating of employees are the proper roles of the pastor/ administrator or the person delegated by him/her. A well-functioning personnel committee can be a valuable asset to the pastor in providing current professional and legal expertise. Individual committee members may be asked to share their expertise with the parish staff and/or other parish leadership groups.

RESPONSIBILITIES:

1. Participates in personnel planning: assesses personnel needs, engages in job analysis, prepares and rates job descriptions, develops a salary scale/benefit package and contracts.
2. Assesses the continually changing ministry needs of the parish and makes staffing recommendations to the pastor and finance council.
3. Develops a comprehensive approach to personnel practices based on sound personnel principles which are grounded in justice, with a sense of the uniqueness and giftedness of persons.
4. Develops and periodically updates personnel policies and processes and effectively communicates these to appropriate persons/groups. Seeks input from individuals or groups affected by such policies.
5. Develops an employee performance review system (instrument and process) and monitors its effective implementation.
6. Ensures that on-going records are being maintained of employee compensation, reimbursement, use of vacation, sick days and other fringe benefits.

7. Serves as a conciliation committee as the need arises and ensures the speedy resolution of problems.
8. Convenes a search committee, when appropriate, for the hiring of a new employee. Ensures equal opportunity of all applicants and promotes affirmative action in hiring decisions.
9. Affirms and supports parish employees by providing opportunities for on-going education and development.

COMMITTEE MEMBERS:

Best committee members are knowledgeable in the areas of personnel, compensation, and human resources. To avoid conflict of interest, this committee should NOT include parish/school employees, or immediate family members of parish/school employees.



APPENDIX A – PARISH CORPORATE BYLAWS

Bylaws of

(The name of the parish is inserted here.)

The Directors of said corporation, by unanimous vote, have adopted the following Bylaws to supersede any and all Bylaws previously adopted.

ARTICLE I

Trustees

Section 1. The term “pastor” for all purposes of these Bylaws shall be a priest who is so designated by appointment in accord with the policies and procedures of the diocese. In the absence of such appointment, the term “pastor” shall apply to the person designated as administrator or parish director by appointment in accord with the policies and procedures of the diocese.

Section 2. The archbishop and vicar general of the Roman Catholic Church of the Archdiocese of Milwaukee, the pastor of this congregation, together with two lay practical communicants of this congregation chosen or selected as herein provided, shall be directors of this corporation.

Section 3. The two lay practical communicants first chosen at the time of the adoption of these Bylaws or the incorporation of this congregation, shall continue as trustees for two (2) years and until their successors are chosen or selected as hereinafter provided.

ARTICLE II

Election of Trustees

Section 1. The successors to each of the lay trustees first chosen or selected shall be elected biannually by written ballots at any meeting of the congregation or at the regularly scheduled Sunday masses designated for the election.

Section 2. The pastor shall cause notice of the election to be given by announcement thereof at such regularly scheduled Sunday Masses four (4) successive weeks prior to the election.

Section 3. It shall be the prerogative of the pastor to nominate two persons as candidates for election as lay trustees.

Section 4. Additional nominations may be made in writing by at least ten (10) practical communicants of the congregation.

Section 5. All nominations shall be made at least two (2) weeks before the election and shall be announced at the regularly scheduled Sunday Masses two (2) weeks prior to the election.

Section 6. At the time notice of the election is given, the pastor shall appoint a representative election committee which shall receive the nominations, prepare the ballots, act as tellers, and generally supervise the election.

Section 7. Subject to the approval of the archbishop, two (2) persons receiving the greatest number of votes cast shall be elected as trustees for a term of two (2) years and until their successors are chosen or selected. In the event that only two persons are nominated two weeks prior to the election, the nominations shall be closed and the two nominees shall be declared elected.

Section 8. Only such lay persons who are practical communicants of the congregation and have attained the age of twenty-five (25) years shall be eligible to be nominated and elected.

Section 9. Only practical communicants of the congregation who have attained the age of eighteen (18) years shall be eligible to nominate pursuant to section 4 above and to vote.

ARTICLE III

Board of Directors

Section 1. The trustees provided for in article I hereof shall ex-officio constitute the Board of Directors of this Corporation.

ARTICLE IV

Officers

Section 1. The officers shall be the officers provided for in the Articles of Incorporation.

Section 2. The officers shall have such duties and rights as their respective offices imply and as provided by these Bylaws.

Section 3. The majority of the Board of Directors shall decide which of the two (2) lay trustees will act as secretary and which will act as treasurer.

ARTICLE V

The President

Section 1. The president may call meetings of the Board of Directors and shall preside at all meetings of the Board of Directors when present at such meetings and shall have the right to authorize the vicar general or delegate to preside at any meeting of the Board of Directors.

Section 2. He shall have the right to approve or disapprove of any lay trustees as elected and shall decide any question that may arise with respect to any election and his decision in such case shall be final.

ARTICLE VI

The Vice-President

Section 1. The vice-president shall preside at meetings of the congregation and of the Board of Directors except meetings presided over by the archbishop, vicar general or delegate of the archbishop.

Section 2. He may call meetings of the Board of Directors and of the congregation. Section 3. He shall be the executive officer of the corporation in the conduct of its affairs. Section 4. The pastor ceases ipso facto to be vice-president, member, trustee and director of the corporation on the effective day of his transfer.

Section 5. Any successor as pastor or administrator appointed by the archbishop shall, on the effective day of his appointment, be ipso facto vice-president, member, trustee and director of the corporation.

ARTICLE VII

The Secretary

Section 1. The secretary shall keep the minutes of the meetings of the congregation and of the Board of Directors and shall perform such other duties as may be required from time to time by the Board of Directors.

ARTICLE VIII

The Treasurer

Section 1. The treasurer shall keep or cause to be kept an accurate and detailed account of receipts and disbursements in such form and manner as shall be required by the Board of Directors, and shall make a report thereof at such time as shall be required by the Board of Directors.

ARTICLE IX

General Provisions

Section 1. In case of a vacancy in the office of secretary or treasurer on account of death, resignation, long absence, or inability to perform the duties of director, the vice-president has the right to appoint a substitute or successor, as the case may require, subject to the approval of the archbishop.

Section 2. Whenever the secretary or treasurer shall, after due notice, neglect or fail to attend the meetings of the directors, or to attend to the business of the corporation, his office shall be declared vacant by the remaining directors, and such vacancy shall be filled by them.

Section 3. Both the secretary and treasurer on entering upon their office shall give a bond to the corporation in an amount to be determined by the majority of the Board of Directors conditioned upon the faithful performance of their duties and the accounting for all monies that may come into their possession.

Section 4. All monies from whatever source received for the benefit of the congregation shall be deposited in bank accounts in the name of the corporation and proper books of accounts shall be kept of all monies or properties received and disbursements made.

Section 5. The withdrawal of funds from the bank accounts of the corporation shall be authorized on the signatures of any two directors, of whom one is ordinarily the pastor.

Section 6. All books of accounts and the minute books of meetings shall be kept in the office of the congregation.

Section 7. The archbishop and vicar general or either of them may be represented at any meeting of the congregation or of the Board of Directors by proxy with like effect as if personally present.

ARTICLE X

Support of Pastor

Section 1. The salaries and salary components of the pastor and associate pastors are determined by archdiocesan regulations.

Section 2. Stole and stipend fees are determined by archdiocesan regulations.

ARTICLE XI

Corporate Seal

Section 1. This corporation shall have a corporate seal containing the name of the congregation and the words "Corporate Seal."

ARTICLE XII

Amendment of Bylaws

Section 1. These Bylaws may be amended by resolution unanimously adopted by the Board of Directors at any meeting called for that purpose.

The foregoing Bylaws, as above recorded, were adopted in the meeting of the Board of Directors by unanimous consent, such meeting having been held on the _____ day of _____, 201____.

Secretary-Director

APPENDIX B – PERTINENT CANONS

CANON 515

1. A parish is a certain community of the Christian faithful stably constituted in a particular church, whose pastoral care is entrusted to a pastor (parochus) as its proper pastor (pastor) under the authority of the diocesan bishop.
2. It is only for the diocesan bishop to erect, suppress or alter parishes.
He is neither to erect, suppress nor alter notably parishes, unless he has heard the presbyteral council.
3. A legitimately erected parish possesses juridic personality by the law itself.

CANON 519

The pastor (parochus) is the proper pastor (pastor) of the parish entrusted to him, exercising the pastoral care of the community committed to him under the authority of the diocesan bishop in whose ministry of Christ he has been called to share, so that for that same community he carries out the functions of teaching, sanctifying, and governing, also with the cooperation of other presbyters or deacons and with the assistance of lay members of the Christian faithful, according to the norm of law.

CANON 532

In all juridic affairs the pastor represents the parish according to the norm of law. He is to take care that the goods, of the parish are administered according to the norm of cann. 1281-1288.

CANON 537

In each parish there is to be a finance council which is governed, in addition to universal law, by norms issued by the diocesan bishop and in which the Christian faithful, selected according to these same norms, are to assist the pastor in the administration of the goods of the parish, without prejudice to the prescript of cann. 532.

CANON 1281

1. Without prejudice to the prescripts of the statutes, administrators invalidly place acts which exceed the limits and manner of ordinary administration unless they have first obtained a written faculty from the ordinary.
2. The statutes are to define the acts which exceed the limit and manner of ordinary administration; if the statutes are silent in this regard, however, the diocesan bishop is competent to determine such acts for the persons subject to him, after having heard the finance council.
3. Unless and to the extent that it is to its own advantage, a juridic person is not bound to answer for acts invalidly placed by its administrators. A juridic person itself, however, will answer for acts illegitimately but validly placed by its administrators, without prejudice to its right of action or recourse against the administrators who have damaged it.

CANON 1283

Before administrators begin their function:

- 1° They must take an oath before the ordinary or his delegate that they will administer well and faithfully;
- 2° They are to prepare and sign an accurate and clear inventory of immovable property, movable objects, whether precious or of some cultural value, or other goods, with their description and appraisal; any inventory already done is to be reviewed;
- 3° One copy of this inventory is to be preserved in the archive of the administration and another in the archive of the curia; any change which the patrimony happens to undergo is to be noted in each copy.

CANON 1284

1. All administrators are bound to fulfill their function with the diligence of a good householder.
2. Consequently they must:
 - 1° exercise vigilance so that the goods entrusted to their care are in no way lost or damaged, taking out insurance policies for this purpose insofar as necessary;
 - 2° take care that the ownership of ecclesiastical goods is protected by civilly valid methods;

- 3° observe the prescripts of both canon and civil law or those imposed by a founder, a donor, or legitimate authority, and especially be on guard so that no damage comes to the Church from the non-observance of civil laws;
 - 4° collect the return of goods and the income accurately and on time, protect what is collected, and use them according to the intention of the founder or legitimate norms;
 - 5° pay at the stated time the interest due on a loan or mortgage and take care that the capital debt itself is repaid in a timely manner;
 - 6° with the consent of the ordinary, invest the money which is left over after expenses and can be usefully set aside for the purposes of the juridic person;
 - 7° keep well organized books of receipts and expenditures;
 - 8° draw up a report of the administration at the end of each year;
 - 9° organize correctly and protect in a suitable and proper archive the documents and records on which the property rights of the Church or the institute are based, and 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 budgets of incomes and expenditures each year; it is left to particular law, however, to require them and to determine more precisely the ways in which they are to be presented.

CANON 1285

Within the limits of ordinary administration only, administrators are permitted to make donations for purposes of piety or Christian charity from movable goods which do not belong to the stable patrimony.

CANON 1286

Administrators of goods:

- 1° in the employment of workers are to observe meticulously also the civil laws concerning labor and social policy, according to the principles handed on by the Church;
- 2° are to pay a just and decent wage to employees so that they are able to provide fittingly for their own needs and those of their dependents.

CANON 1287

1. Both clerical and lay administrators of any ecclesiastical goods whatever which have not been legitimately exempted from the power of governance of the diocesan bishop are bound by their office to present an annual report to the local ordinary who is to present it for examination by the finance council; any contrary custom is reprobated.
2. According to norms to be determined by particular law, administrators are to render an account to the faithful concerning the goods offered by the faithful to the Church.

CANON 1288

Administrators are neither to initiate nor to contest litigation in a civil forum in the name of a public juridic person unless they have obtained the written permission of their own ordinary.

CANON 1289

Even if not bound to administration by the title of an ecclesiastical office, administrators cannot relinquish their function on their own initiative; if the Church is harmed from an arbitrary withdrawal, moreover, they are bound to restitution.

CANON 1293

1. The alienation of goods whose value exceeds the defined minimum amount also requires the following:
 - 1° a just cause, such as urgent necessity, evident advantage, piety, charity, or some other grave pastoral reason;
 - 2° a written appraisal by experts of the asset to be alienated.
2. Other precautions prescribed by legitimate authority are also to be observed to avoid harm to the Church.

CANON 1294

1. An asset ordinarily must not be alienated for a price less than that indicated in the appraisal.
2. The money received from the alienation is either to be invested carefully for the advantage of the Church or to be expended prudently according to the purposes of the alienation.

Excerpts from: *Code of Canon Law – Latin-English Edition New English Translation*
(Canon Law Society of America) 1999

APPENDIX C – SAMPLE DOCUMENTS

SAMPLE LETTER REQUESTING PROXY

St. George Parish
Street Address, City/Town, WI, Zip Code
ourparish@archmil.org (Area Code) Phone Number

Date

Archbishop
Archdiocese of Milwaukee
3501 S. Lake Dr., P.O. Box 070912
Milwaukee, WI 53207-0912

Dear Archbishop:

The bell tower at St. George Parish has suffered considerable deterioration/weathering. Building inspectors and the insurance company have told us that someone could be injured if repairs are not made soon.

The Building and Grounds Committee took the matter into consideration. Among the bids, the most acceptable was from Local Sheet Metal Co. They propose to:

Tuckpoint the tower
Redo the casing and spouts
For \$37,500.

The Pastoral Council reviewed the proposal and affirmed the recommendation unanimously through consensus. St. George will pay for this expenditure from cash on hand in our parish designated building maintenance fund.

Wishing you God's blessing in your shepherding ministry, I remain

Sincerely,

Pastor

Trustee-Treasurer

Pastoral Council Chairperson

Trustee-Secretary

SAMPLE WAIVER AND PROXY

Archdiocese of Milwaukee
3501 South Lake Drive • Milwaukee, Wisconsin • Phone 414-769-3300
The Chancery

*This document is issued from
the Chancery, not the parish.*

Waiver and Proxy

KNOW ALL MEN BY THESE PRESENTS, that the undersigned members, directors and trustees do hereby waive notice of the time, place and purpose and all of the requirements as to the holding of a special meeting of the Board of Directors, the governing body of

_____ of _____
(Exact corporate title) (Location)

A corporation duly authorized and existing under and by virtue of the laws of the state of Wisconsin, and do hereby appoint _____

As our proxy to cast our votes at the proposed meeting of said corporation in favor of a motion(s) to:

In Witness Whereof, we have hereunto set our hands and seals this

_____ of _____ 2000
Archbishop, President, Member, Director and Trustee _____ (seal)
Vicar General, Member, Director and Trustee _____ (seal)

AND BY THESE PRESENTS, the undersigned and remaining Members, Directors and Trustees of said corporation do hereby join in the foregoing waiver of notice of the time, place and purpose and of all requirements as to the holding of the said special meeting of the Board of Directors of the above mentioned congregation.

IN WITNESS WHERE OF, we have hereunto set our hand and seals this _____ of _____ 20____
Member, Director and Trustee, Vice-President _____ (seal)
Member, Director and Trustee-Secretary _____ (seal)
Member, Director and Trustee-Treasurer _____ (seal)

N.B. The above waiver and proxy appointment should be incorporated in the minutes of the meeting of the Board and attached to them.

Note: This document when issued always bears the signatures of the archbishop and the vicar general. When it arrives at the parish, the parish priest/ director and trustees sign it to put the action into effect.

SAMPLE TRUSTEE CANDIDATE NOMINATION FORM

PARISH LETTERHEAD

Date:

To: _____
Printed Name of Pastor *Signature or Initials of Pastor*

We, the undersigned parishioners of _____ do support the nomination of
Parish Name

_____ as a candidate for Parish Trustee.
Name of Nominee

Parishioner/Date

Parishioner/Date

Parishioner/Date

Parishioner/Date

Parishioner/Date

Parishioner/Date

Parishioner/Date

Parishioner/Date

Parishioner/Date

Parishioner/Date

This form MUST BE RECEIVED in the Parish Office NO LATER THAN _____.

Date/Time



Please return by postal mail to:
Barbara Anne Cusack, Chancellor
P.O. Box 070912 Milwaukee WI 53207-0912

TRUSTEE ELECTION APPROVAL FORM

Parish Name

Parish Address

Today's Date

Dear Archbishop ListECKi,

At an election held according to the by-laws of the Parish Corporation, the following person(s) was/were elected as a parish trustee:

Date of Election: _____ Please check **one** of the following: ☐ Newly elected ☐ Re-elected

Dates of Term of Office _____

Dates of Term of Office _____

Name of Trustee Secretary:

Name of Trustee Treasurer:

Address:

Address:

Phone _____

Phone _____

Email _____

Email _____

In accord with the requirement of the corporation of Wisconsin State Law, I am requesting your approval of that election so that the above named may legally enter into office and execute the duties of the office of lay trustee.

Pastor/Parish Director

(For Chancery Office Use)

Pastor/Parish Director of _____ City _____

The election/selection of _____, as Trustee Secretary on _____

and/or _____ as Trustee Treasurer on _____ is herewith

approved by Archbishop Jerome E. ListECKi so that they may legally enter into office and execute the prescribed duties.

Chancellor/Delegate

Date



CHANCERY

(Please check the items below as they are fulfilled and sign at the end.)

ACCEPTANCE OF RESPONSIBILITIES AS A PARISH TRUSTEE

I, the undersigned am a duly elected trustee of _____ Parish in

(city)

I have received a description of my responsibilities as a trustee.

☐

I understand the responsibilities I am assuming as a trustee.

☐

I accept the responsibilities of a parish trustee.

☐

Signature

Please Print Name

Date

Return to: Chancery Office, P.O. Box 070912, Milwaukee, WI 53207-0912

APPENDIX D – REPORTING POSSIBLE

FINANCIAL MISCONDUCT

In an effort to achieve Archdiocesan goals of transparency and accountability, reasonable suspicion of possible financial misconduct should be reported immediately. After an initial investigation on the parish level reveals sufficient cause for concern, there are two possible ways for misconduct to be reported.

- 1) Contact the Office for Parish Finance – the Office for Parish Finance will respond to and investigate any reports submitted by pastors, business managers, trustees, parish council or finance committee chairpersons. The person reporting can remain anonymous if preferred. The Director of the Office, in consultation with other Archdiocesan officials, will determine an appropriate course of action.

Rumors of financial misconduct in a parish should be investigated prior to contacting the Office.

- 2) Contact EthicsPoint – EthicsPoint is a third-party company with which the Archdiocese of Milwaukee has partnered to administer an online service to report financial misconduct. Parishioners, employees, volunteers, vendors and any other individuals can confidentially report concerns. The reports are forwarded to the Office for Parish Finance for further investigation.

EthicsPoint is not a 911 or Emergency Service. Reports submitted through this service may not receive an immediate response.

POTENTIAL WARNING SIGNS

Trustees should be aware of the nine potential warning signs for financial misconduct in the parish. These signs reflect common shortcomings in parish financial practice which do surface during Archdiocesan financial reviews as well as warnings which went unheeded in parishes where financial misconduct was taking place.

The Nine Warning Signs:

- 1) Archdiocesan Financial Controls are not being followed in the parish.
- 2) Financial statements are not being provided to the parish council and finance committee.
- 3) Parish is not paying, in full or in part, Archdiocesan assessments and/or payments to pension plans.
- 4) Parish Finance Council is suspended or dissolved.
- 5) Money is disbursed without receipts and other documentation.
- 6) Large purchases are made without pre-authorization on a parish credit card.
- 7) Expenses in a particular account significantly exceed the budgeted amount.
- 8) Contracts and compensation for staff have not been reviewed and do not comply with IRS requirements for withholding and reporting.
- 9) Parish is not complying with priest compensation plan in regard to salary, acceptable business expenses, and perks or perquisites.

Trustees should become familiar with the Archdiocesan Financial Controls to insure that the parish is in conformity with Archdiocesan policy. As a starting point, the trustees may wish to review the most recent parish review.