

***The Archdiocese of San Francisco  
Finance Council Constitution  
(03/08/02)***

## **The Archdiocese of San Francisco Finance Council Constitution**

### **Article I: Purpose**

The Archdiocesan Finance Council is established to provide the Archbishop with information and recommendations to assist him in making decisions about the temporal affairs of the Archdiocese.

The Archdiocesan Finance Council is mandated by the Code of Canon Law. The temporal aspects of financial matters can be complex. The Archdiocese has a fiduciary responsibility to manage its assets well and effectively communicate the results of its temporal management to the people of the Archdiocese. The Archbishop relies on the advice of experts as he makes important financial decisions.

The Finance Council is a consultative body to the Archbishop. The Council considers all matters of financial concern. The Code of Canon Law specifies certain actions that require the Bishop to consult with the Finance Council and it specifies certain actions that require the Bishop to obtain the consent of the Finance Council. A member of the Archdiocesan Finance Council will sit on all Archdiocesan Corporate Boards including: St Patrick's Seminary, Catholic Charities/CYO and The Roman Catholic Welfare Corporation.

### **Article II: Policy**

Archdiocesan policy is set by the decision of the Archbishop in accord with the Code of Canon Law and in consultation with various Archdiocesan bodies. Policy is implemented by the Archbishop, the Archdiocesan staff and all other members of the Archdiocesan community who assist them. The Archdiocesan Finance Council may be called upon to make policy recommendations to the Archbishop for his consideration. With the Vicar for Administration, the Finance Council monitors the implementation of fiscal policies of all Archdiocesan entities.

### **Article III: Canon Law**

Among the duties of a Diocesan Finance Council as described in the Code of Canon Law are:

The responsibility of causing the preparation of annual budgets and examining receipts and expenditures at the close of the fiscal year. (Canon 493)

The Bishop is required to listen to the Finance Council, as well as others, prior to naming a Finance officer. (Canon 494)

The Bishop is required to listen to the Finance Council, as well as others, prior to imposing a moderate tax on public juridic person/s subject to his authority. (Canon 1263)

The Bishop is required to listen to the Finance Council, as well as others, prior to

performing more important acts of administration. The Bishop needs the consent of the Finance Council, as well as others, to perform acts of extraordinary administration. (Canon 1277)

Administrators of the Diocese, parishes and other Church entities are required to present annual reports to the Bishop who is in turn required to present these reports to the Finance Council for its consideration. (Canon 1287)

The Bishop is required to obtain consent of the Finance Council to alienate the goods of the Diocese and juridic person/s subject to the Diocesan Bishop when the value of the goods fall within the range of the minimum and maximum amounts determined by the conference of Bishops for its region. (Canon 1292)

The Bishop is required to consult with the Finance Council, as well as others with regard to the prudent investment of endowed goods or funds. (Canon 1305)

#### **Article IV: Responsibilities**

The Finance Council advises the Archbishop in the administration of Archdiocesan matters. It does so by:

- Reviewing and making recommendations for the annual central office budget;
- Reviewing and making recommendations for major Archdiocesan capital expenditures;
- At least quarterly reviewing the income and expenditures of the Central Office and offering suggestions where budgets are exceeded;
- Reviewing the annual reports on the financial position of the Archdiocese and the auditors report on management controls and advising the Archbishop on prudent changes effectively communicating the annual financial position of the Archdiocese to the people of the Archdiocese. The Finance Council will review the financial section of the Ad Limina Report and make recommendations as needed;
- Reviewing staff reports each year on banking arrangements, Archdiocesan financial operations and the inventory of the real property of the Archdiocese for proper titling and safeguarding;
- Consulting regarding any acts of more important administration;
- Consenting in any acts of extraordinary administration, e.g., in the sale or purchase of Archdiocesan property;
- Reviewing Archdiocesan insurance coverage and advising on changes in coverage;
- Having representation on all Archdiocesan Corporate Boards and Finance Committees;  
and
- Handling other matters referred to it by the Archbishop.

## **Article V: Membership**

The ex-officio members of the Archdiocesan Finance Council are: The Archbishop of San Francisco, the Archdiocesan Vicar for Administration, the Chief Financial Officer and the archdiocesan controller (non-voting).

In accord with Canon 492 the Archbishop appoints at least three laypersons of outstanding integrity who are skilled in financial affairs as well as civil law. The Archbishop may appoint additional clergy and laity.

The members of the Finance Council should be practicing Catholics who live or work in the Archdiocese of San Francisco and who have the spirit of Vatican II, an awareness of Christian Stewardship concepts and a willingness to serve the Archdiocese.

The term of the appointed members of the Archdiocesan Finance Council is five years. Appointments will be staggered so that no more than one-third of the members go off in a given year. No one can serve more than two consecutive five-year terms.

Members are required to maintain strict confidentiality regarding matters that pertain to the business of the Finance Council and to avoid any conflict of interest in this regard. Each member shall be provided a copy of the Archdiocesan written conflicts of interest policy.

## **Article VI: Officers**

The Archbishop presides over the meetings as Chair of the Finance Council. The Vicar for Administration is the Vice-Chair of the Council, and chairs the meetings in the absence of the Archbishop. The Vicar appoints a secretary to take notes, maintain membership information and perform other appointed duties. The secretary is not a voting member of the Finance Council.

## **Article VII: Committees**

The Finance Council may establish various committees, either standing or ad hoc, to assist the Council in carrying out its duties.

The following standing committees have been established as of the date of approval of this Constitution:

- **Audit Committee**
- **Investment Committee**
- **Real Estate Committee**
- **Parish Deposit and Loan Committee**
- **Institutional Deposit and Loan Committee**
- **Pension Committee**

**Article VIII: Meetings**

The Council will meet at least six times annually. Normally these meetings take place on the first Thursday of the month at the Chancery Office.

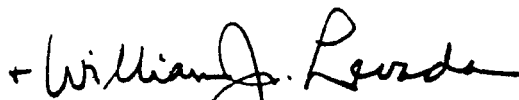
The agenda should be sent to the Finance Council at least seven days prior to the regular meeting.

The quorum for a meeting is fifty percent of the voting members plus one.

**Article IX: Review**

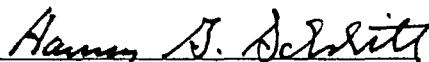
The Finance Council Constitution will be reviewed every five years. Amendments may be made by a two-thirds majority of the members and with the approval of the Vicar for Administration and the Archbishop.

Approved by:



Most Reverend William J. Levada  
Archbishop of San Francisco  
Chair – Finance Council

Approved by:



Reverend Monsignor Harry G. Schlitt  
Vicar for Administration  
Vice Chair – Finance Council

March 8, 2002

Date

3-8-02

Date