

# New Financial Ordinance

## **SOME NORMS FOR THE FINANCIAL ADMINISTRATION OF THE PROVINCES CONGREGATION OF THE MISSION**

Our Constitutions (Articles 148-155) and Statutes (Articles 75-77 and 103-110) speak at length about the administration of the goods of the Congregation. The Practical Guide for the Visitor also speaks about this matter in considerable detail (§§ 250-257 and 321).

1. Our norms call us to great transparency in rendering accounts of the receipts and expenditures of our houses, provinces, and the Congregation as a whole, as well as about the status of our patrimony. In this light, for the future well-being of the Congregation and also, unfortunately, because abuses have arisen, I would like to call to mind the following norms of the Congregation:

1.1. The treasurers of the local houses are to present an account of the receipts and expenditures of the houses, as well as a report on the status of the houses' patrimony, once a month to the local superior. A signature of approval is to be affixed to the account, provided that it is found to be accurate (Statute 106 § 2).

1.2. The provincial treasurer is to present an account of the receipts and expenditures of the province, as well as a report on the status of the province's patrimony, twice a year to the provincial with his council. A signature of approval is to be affixed to the account, provided that it is found to be accurate (Statute 106 § 1).

1.3. Members entrusted with the administration of special works of either a province or a house shall submit an account of the receipts and expenditures to their respective superiors at the time and in the manner determined by provincial norms (Statute 106 § 3).

2. In order to foster the proper administration of temporal goods and to obtain broader financial advice, Canon 1280 requires that every juridic person have a finance council.

2.1. In this spirit, with the consent of the members of the General Council, in accord with Article 107, 2° of our Constitutions, I am establishing a general ordinance applicable to all of the provinces of the Congregation of the Mission. It is as follows:

In each province of the Congregation of the Mission a finance committee will be established. It shall be presided over by the provincial superior or his delegate. It shall be composed of the provincial treasurer and at least three other members, knowledgeable in financial matters and the related portions of civil law, ***at least one of whom should be a trusted lay professional competent in the field of finance.*** It shall have an advisory role, offering recommendations to the provincial and the members of his council. The members of the finance committee shall be appointed by the provincial for a three-year term, which is renewable. I ask that this ordinance be put into practice within six months from the date of this document; that is, by October 1, 2014.

2.2. Among the competencies of this committee shall be the following:

2.2.1. It shall prepare annually a budget of the income and expenditures of the province for the coming year.

2.2.2. At the end of each fiscal year, it shall review and present for the approval of the provincial superior the account which the provincial treasurer has prepared of the province's receipts and expenditures and report on the status of the patrimony of the province, making appropriate recommendations to the provincial superior and provincial treasurer in this regard.

2.2.3. It shall supervise the conservation, growth and administration of the patrimony of the province and make appropriate recommendations to the provincial superior and the provincial treasurer in this regard.

2.2.4. It shall serve as a consultative body to the provincial superior and provincial treasurer in relation to significant economic questions concerning investments, expenditures, and the conservation and disposal of the patrimony of the province.

2.2.5. It will serve, when asked, as a consultative body to the provincial superior and the provincial treasurer in relationship to any other economic matters that they might propose to the committee.

Some provinces already have norms concerning the matters described above. Such norms remain in effect, unless they are contrary to what is prescribed above. If necessary, such norms should be revised to include the points contained in this document.

3. It is recommended that, in each province at least one confrere, perhaps someone pertaining to the finance committee, be instructed by the provincial treasurer about the working of the treasurer's office,

so that in the case of the absence, sickness, or sudden death of a treasurer someone would be capable of taking over the running of the office.

4. To assist finance councils already established or to be established in the provinces, I offer the attached sample guidelines, which are intended as illustrative and not normative.

### **SAMPLE GUIDELINES FOR THE FINANCE COMMITTEES OF THE CONGREGATION OF THE MISSION**

**Mission:** The Finance Committee shall assist the Provincial Treasurer in advising the Provincial Superior and his council in financial matters. The purpose of the Finance Committee is to promote the prudent management of the financial resources of the province always keeping in mind its mission to the poor and the well being of the confreres. The Committee researches and proposes policy on issues, as requested by the Provincial Superior or the Provincial Treasurer.

**Appointment:** The Members of the Finance Committee are proposed by the Provincial Treasurer and appointed by the Provincial Superior with his council. Members are appointed for a three-year term renewable only twice, unless for a serious reason and upon the recommendation of the Provincial Treasurer, the Provincial Superior with his council should judge a further extension to be opportune.

**Composition:** The Finance Committee is composed of no less than five members, *at least one of whom should be a trusted lay professional competent in the field of finance.* The members should be selected so that the Committee manifests financial, legal, real estate, and planning skills, as well as Vincentian and religious values.

**Duties:** The duties of the Finance Committee include, but are not limited to, the following:

1. To assist the Provincial Treasurer in
  - establishing an annual budget for the province;
  - developing financial strategies for supporting the province's future plans;
  - monitoring the purchase, the obtaining of proper legal titles, the alienation, renovation, construction, or management of property owned by the houses of the province or the province itself;
  - creating the year-end report of receipts and expenditures of the province;

- reviewing investment management;
- interpreting the annual audit;
- studying house budgets and assisting houses in their financial management when asked by the Provincial Treasurer;
- other areas as assigned.

2. To seek the advice of consultants as necessary.

**Procedures:** The Provincial Superior convenes meetings at least twice a year and, with the Provincial Treasurer, establishes the agenda for the Finance Committee. The Provincial Superior serves as its chairperson. He also invites consultants or observers to attend meetings as appropriate.

The Committee shall elect a secretary who will keep all records and all documents of the Committee. Minutes of each meeting will be recorded and distributed to the members at least one week prior to the Committee's next meeting. These minutes, including the policies, documents, and actions of the Committee will be incorporated by the Provincial Treasurer in his reports and recommendations to the Provincial Superior and his council.

*Renewed and updated*

G. Gregory Gay, C.M.  
Superior General

April 1, 2014  
Rome, Italy