

**ARTICLES OF ORGANIZATION
OF
HOLY FAMILY PARISH ADMINISTRATIVE COUNCIL
OF
HOLY FAMILY CATHOLIC CHURCH, PORTLAND, OREGON**

RECITAL

A. Articles of Incorporation for the formation of Holy Family Catholic Church, Portland, Oregon Corporation (referred to herein as “**Holy Family Church**”) were filed by the Incorporator, John G. Vlazny, with the Oregon Secretary of State Office on April 29, 2008 to become effective on April 30, 2008 under the Oregon Nonprofit Corporation Act.

B. Bylaws for Holy Family Church were adopted effective April 30, 2008 (“**Bylaws**”).

C. Holy Family Church is a “**Parish**” under the Code of Canon Law of the Roman Catholic Church (referred to herein as “**Holy Family Parish**” or “**Parish**”).

D. The Code of Canon Law and §4.5 of the Bylaws of Holy Family Church calls for Holy Family Church to form a Holy Family Church “**Administrative Council**” and for the Administrative Council to be a standing advisory and consultative committee to the Pastor of Holy Family Church in the financial operation, management and administration of Holy Family Parish.

E. The purpose of these “**Articles of Organization**” is to create and organize the Holy Family Parish Administrative Council.

ARTICLE I PURPOSE

1.1 Absent an express grant of authority from the Board of Directors of Holy Family Church, the Holy Family Church “**Pastor**” shall consult with the Administrative Council on the following matters set forth in §1.2 below, although the Pastor remains the juridic authority for final decisions, as the purpose of the Administrative Council shall be advisory and consultative only and shall not have the power or authority in any way to bind Holy Family Church.

1.2 The Pastor shall consult with the Administrative Council on the following matters, with regard to decision making concerning the financial operation, management and administration of Holy Family Parish as follows:

1.2.1 Any commitment of Parish resources in excess of the amount prescribed in Portland Archdiocese Policy.

1.2.2 The management of funds that the Parish is authorized to retain and manage under Canon Law 1281-1288.

1.2.3 At minimum, review of the Annual Budget and Annual Parish Report before submission to the Parish Pastoral Council. To the extent practical, the Administrative Council should be involved in the preparation of both reports, particularly the Annual Budget.

1.2.4 Priorities in budget preparation should reflect the Parish “**Pastoral Plan**” developed by the Parish “**Pastoral Council**”.

1.2.5 Provide assistance and review in the formulation of the Annual Parish Report to the Parish community, as required by Canon 1287.

1.2.6 As a consultative group, the Administrative Council shall aid the Pastor in the administration of the Parish, including but not limited to, assisting the Pastor and other people of the Parish in the development, maintenance and disbursement of materials and financial resources of and for the entire Parish.

ARTICLE II SCHEDULES

2.1 Schedule A “**MEMBERSHIP**” is attached hereto and by reference incorporated herein.

2.2 Schedule B “**FINANCIAL CONTROL OVERSIGHT PROCEDURES**” is attached hereto and by reference incorporated herein.

ARTICLE III MEETINGS

3.1 For each fiscal year of the Parish (July 1st through June 30th), “**Regular**” meetings of the Administrative Council shall be held each month on the last Thursday of each month, starting in August, except for December and Lent, and ending in June, unless otherwise determined by the Administrative Council after consulting with the Pastor.

3.2 “**Special**” meetings of the Administrative Council may be held at any time at the call of the Pastor, Chair of the Administrative Council or at the request of any three Class Members of the Administrative Council.

3.3 All Members of the Administrative Council will be notified of all Regular and Special meetings of the Administrative Council by the Secretary at least seven (7) days prior to the date of the meeting.

3.4 All Regular and Special meetings of the Administrative Council shall be closed to the public and to parishioners of the Holy Family Church, unless by majority vote of the Administrative Council or by the Pastor determines a meeting(s) to be open or a party is invited to attend a meeting(s) for purpose of a specific agenda item only.

3.5 One-half of the Class Membership of the Administrative Council shall constitute a quorum for the transaction of any business at all meetings of the Administrative Council, excepting that in the absence of a quorum, a lesser number shall have the right to adjourn the meeting to a fixed date thereafter.

3.6 All questions, matters, and/or recommendations proposed for the consideration by the Administrative Council at a meeting of the Administrative Council shall be determined by a majority of the votes cast. Notwithstanding the preceding sentence, all matters voted on by the Administrative Council are subject to (i) §1.1 above, and (ii) review by the Holy Family Church Board of Directors, which are controlling in all matters.

These Articles of Organization of the Administrative Council for Holy Family Catholic Church, Portland, Oregon Corporation were adopted and became effective _____, 2015.

Secretary

SCHEDULE A MEMBERSHIP

A1 Membership. Voting Membership in the Administrative Council shall be open to active parishioners of Holy Family Church, as shown by his or her participation and commitment within the Parish community, that are eighteen (18) years of age or older and confirmed.

A2 Composition. The Administrative Council shall be composed of Standing Members and Ex-Officio Members. Parish employees may serve on the Administrative Council but only as an ex-officio, non-voting member.

A3 “Standing Members”. Standing Members of the Administrative Council shall consist of the following, with each having a vote:

A3.1 Pastor.

A3.2 At-large Class Members.

A3.3 Class Members may serve in other volunteer service roles in the Parish, provided such dual service will not create a conflict of interest. The role of the Administrative Council should not be vitiated.

A3.4 Class members shall not be related to the Pastor.

A4 At-Large “Class Members”. The Administrative Council shall be composed of at-large Class Members appointed by the Pastor.

A4.1 The Pastor shall consider appointing at-large Class Members based on demonstrable skills or expertise in management, business, finance, accounting, legal, building maintenance and personnel, although it is at the sole discretion of the Pastor who he appoints, as the Pastor is not limited to appointing Members solely based on these criteria.

A4.2 At-large Class Members of the Administrative Council are divided into three (3) classes, with each class composed of two (2) Members, each having a vote, with staggered terms as follows:

A4.2.1 Class-A. For Parish fiscal year 2014-2015, Class-A Members shall initially have a one (1) year term, ending June 30, 2015. Thereafter, Pastor appointed Class-A Members shall have three (3) year terms ending June 30th of the third fiscal year term.

A4.2.2 Class-B. For Parish fiscal year 2014-2015, Class-B Members shall initially have a two (2) year term, ending June 30, 2016. Thereafter, Pastor appointed Class-B Members shall have three (3) year terms ending June 30th of the third fiscal year term.

A4.2.3 Class-C. For Parish fiscal year 2014-2015, Class-C Members shall initially have a three (3) year term, ending June 30, 2017. Thereafter, Pastor appointed Class-C Members shall have three (3) year terms ending June 30th of the third fiscal year term.

A4.2.4 No at-large Class Member shall serve more than two consecutive terms.

A4.2.5 Each at-large Class Member shall fulfill their respective term until the Pastor appoints their successor unless removed by the Pastor from their Class Member position.

A4.2.6 At the last meeting of the Administrative Council for a Parish fiscal year, the Standing Members shall elect from the At-large Class Members a Chair and Secretary of the Administrative Council to serve for the following Parish fiscal year.

A4.2.7 An At-large Class Member may hold the same office for more than one year in succession.

A4.2.8 The Chair shall preside at all meetings of the Administrative Council; and the Chair shall be responsible: (i) to insure the orderly receipt of reports (a) from other Administrative Council Members, (b) from Parish members, and/or (c) third parties; (ii) the timely distribution of minutes by the Secretary; and (iii) interacting with other Administrative Council members that have taken on projects and/or activities to insure such other Administrative Council members follow through the implementation and completion of such projects and/or activities.

A4.2.9 The Secretary shall take minutes of all regular and special meetings of the Administrative Council, preserve them in a permanent record and send copies of such minutes to all Members of the Administrative Council at least one week prior to the next regularly scheduled meeting, along with the agenda for that meeting; and the Secretary shall also keep and archive minutes of each meeting including those submitted by the commissions in a permanent file to be passed on in succession, to be archived and kept in the Holy Family Parish Pastoral Center.

A5 “**Ex-Officio Members**”. Ex-Officio Members of the Administrative Council shall consist of the following who do not have a vote:

A5.1 Parish Business Manager

A5.2 Holy Family Church School Principal

A5.3 A representative from Parish Pastoral Council

A5.4 A representative from Holy Family Church School Advisory Council

A6 **Vacancy.**

A6.1 Any member of the Administrative Council may resign by filing a written resignation to that effect with the Secretary of the Administrative Council.

A6.2 Any member of the Administrative Council may be removed without cause by the Pastor; or cease to be a member due to ill health or being deceased.

A6.3 Any vacancy of a Standing Member of the Administrative Council, with the exception of the Pastor, shall be filled by the Pastor or remain vacant at the sole discretion of the Pastor.

A6.4 A vacancy of an Ex-Officio Member of the Pastoral Council, with the exception of the Holy Family Church School Principal, due to a resignation, removal or transfer from a position held within the Holy Family Parish shall be filled by the commission or organization wherein the vacancy exists.

SCHEDULE B FINANCIAL CONTROL OVERSIGHT PROCEDURES

B1 Financial Statements. Periodically, at least quarterly, review the Parish financial statements, including the following steps:

B1.1 Review actual revenue and expense results versus budgeted expectations for the period and/or year-to-year.

B1.2 Review comparative (this year compared to last year) statements looking for significant differences or variations between line items and/or subtotals.

B1.3 Ask questions of appropriate personnel concerning usual items or significant variances between the budget and actual results.

B1.4 In response to variances, take appropriate action to ensure the Parish does not end in a deficit position.

B2 Collection Count. Design and implement collection counting policy procedures, as outlined in the Portland Archdiocese Offertory Collection Procedures. The Administrative Council shall establish a Count Committee. The Administrative Council shall periodically review Parish procedures to insure compliance with Parish policy and the Count Committee is following Parish policy procedures, including the following steps:

B2.1 Trace copies of deposit slips to the collection count records maintained by the counters.

B2.2 Verify that two (2) members of the Count Committee have signed the count sheet.

B2.3 Trace collection deposits to bank statements and verify that deposits were timely.

B3 Cash Disbursements. Design and implement Parish cash and disbursement policy and procedures as outlined in the Portland Archdiocese Tips to Prevent Fraud and Tips for Reviewing Bank Statements. The Administrative Council shall periodically review Parish procedures for compliance with Parish policy, including the following steps:

B3.1 For each account, prepare a bank reconciliation semi-annually (include a provision to receive bank statements unopened from the bank).

B3.2 Review all bank reconciliations each month.

B3.3 Trace cancelled checks to cash disbursements journals or check register. Account for all check numbers including voids.

B3.4 Payments are adequately supported by documentation.

B4 Payroll. Design and implement Parish payroll policy and procedures as outlined in the Portland Archdiocese Parish Accounting Procedures/Guidelines and the ADP Payroll Manual. The Administrative Council shall periodically review Parish payroll procedures to insure compliance with Parish policy, including the following steps:

B4.1 Personnel files should be reviewed for applications, withholding forms, and wage rates (there should be documentation to support all pay raises).

B4.2 If the payroll bank account is separate from the operating account, perform the same steps as set forth in Section B.3 above.

B5 Other Cash Receipts. Design and implement Parish cash receipts policy and procedures as outlined in the Portland Archdiocese Miscellaneous Cash Receipts – Suggested Handling and Accounting Procedures. The Administrative Council shall periodically review Parish cash receipts procedures to insure compliance with existing Parish policy, including the following steps:

B5.1 Foot manual cash ledgers. (Footing means to add a column manually with a calculator. Spreadsheets can have errors that might result in errors.)

B5.2 Trace totals to the general ledger. (Tracing means to compare the physical deposit slips and their accompanying accounting distribution to the general ledger.)

B5.3 Foot and balance the general ledger. The subsidiary records should equal the control account(s) in the general ledger.

B5.4 Review that procedures for handling mail receipts are being followed.

B6 Design and implement Parish policies and procedures as outlined in the Portland Archdiocese General Principles of Charitable Contributions. The Administrative Council shall periodically review Parish policy and procedures for data collection, entry, and reporting for compliance with Parish policy as follows:

B6.1 The total of the envelopes and loose checks should be compared with deposit records. The total of the envelopes and checks received without envelopes should balance with the totals entered into parishioner statements and in the bank deposit. This is a quick way to make sure contributions are being recorded properly.

B6.2 Control the mailing of statements to parishioners. The persons who ordinarily records donations into the accounting and census systems should not be able to access the statements and alter them. This allows donors to compare their records with those of the Parish, If they are different, parishioners should contact a third party to report the discrepancy, If there is an unexplained difference, it can be the result of fraud.

B.7 Periodically, at least quarterly, the Administrative Council shall review the Parish financial statements, including the following steps:

B7.1 Review actual revenue and expense results versus budgeted expectations for the period and/or year-to-date.

B7.2 Review comparative (this year compared to last year) statements looking for significant differences or variations between line items and/or subtotals.

B7.3 Ask questions of appropriate Parish personnel concerning unusual items or significant variances between the budget and actual results. In response to variances, take appropriate action to ensure the Parish doesn't end in a deficit position.