

## **BUDGET PLANNING**

All parishes, schools, and parish/school organizations are required to prepare an annual budget. The parish/school budget process has four phases and areas of responsibility:

1. All committees should submit budget requests to the finance council. Organizations should not submit deficit budgets where expenses exceed income.
2. The finance council will study and compile all budget requests. The final budget should be approved by the finance council. They should present the final budget to the pastoral council and/or school council. Approval of the budget should be documented in the meeting minutes. Deficit budgets should be avoided. If the parish or school finance council approves a deficit budget, a letter of explanation as to how the deficit will be funded must accompany the fiscal year end reports when submitted to the Archdiocese Finance Office.
3. The pastoral council/school council will review the budget in the light of parish/school goals and priorities. The council's endorsement of the budget should be documented in the meeting minutes.
4. The pastor or pastoral/school administrator approves the budget after consultation with the pastoral/school council.

The budget should forecast receipts and expenditures for the fiscal year beginning July 1. PDS Ledger has an effective budget preparation schedule. These forms should be used to assist the budget preparation process.

Approved parish/school budgets for the next fiscal year must be submitted to the Pastoral Center along with the current fiscal year end report. Therefore, the reports for fiscal year ended June 30th, would include the budget for the next fiscal year ending June 30th. The reports for fiscal year end and budget must be received at the Archdiocese of Louisville Finance Office no later than August 15th after the fiscal year end closing date.