

ABSTRACT

The purpose of this study was to explore how parishes manage their financial resources.

Data consisted of parishes records of their expenditures and income over a five years period of time, reliable financial documents provided by the respondents (i.e., cash books, financial statements: balance sheet, income cash flow, checkbook registers, etc.), and individual interviews. This study was designed to gain a better understanding of the financial behaviors of parishes, the mechanisms of control and criteria of transparency which parishes have on managing their finances.

A stratified purposeful sample of 10 parishes was selected for this study.

The results of this research contributed to both practice and research. In terms of practice, the results of this study informed three constituencies: Pastor of the parish, treasurer and cashier of the parish and one member of financial committee. The pastors with its ecclesiastical hierarchy might use the results to develop programs and services that assist the staff of parishes in managing their financial resources. The personnel of finance (treasurers and cashiers) might benefit from the results by identifying management behaviors to employ and those to avoid. The committee of finances might benefit by planning, assisting and providing their parishes with management skills.

Results revealed several important findings. First, the financial situation of two categories of parishes is very different. The purchasing power and living standards of the parishes located in rural area are lower than the urban parishes. And the parishes of urban area spend more money than the rural parishes. Concerning to the management skills and qualification, the urban parishes exceed the rural parishes. But in terms of respect of the procedures and norms, the rural parishes are on the top, this because, they have financial committee in the respective parishes, and sometimes they send the financial reports to the hierarchy. But all of them don't have the committee of control.

Second, the criteria of transparency are not defined by the church. Each parish manages its finances according to its own principles and norms. There are lack of uniformity and harmony in their financial management, even though most of them have been trained and received the formal model for doing financial report and establishing some financial documents from the Head Office.

These results suggest that, CADELU must provide and establish norms and principles for the financial management of parishes. That is why some recommendations have been made and guidelines established for the parishes.

KEYWORDS: FINANCIAL MANAGEMENT, FINANCIAL BEHAVIOR, CONTROL, TRANSPARENCY