



# **General rules of financial management in Faith and Light**

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## **Faith and Light international**

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## Introduction

**F**aith and Light is radically different from other organisations responsible for rendering services to people with disabilities: schools, centres, homes, care facilities, counselling and social services, etc.

As a result, everything about money in Faith and Light must be consistent with our vision: we allow ourselves to be transformed by the persons with intellectual disabilities, always putting our friendships and the joy that results from them first. Money is only one of the ways to serve this vision.

Based on the history of Faith and Light, we firmly believe that the Lord will always give us what we need, if we trust in Him and do our best.

### The requirements

The everyday life of a community does not require any resources from outside. We must be careful not to search for money or to accumulate money in the name of the community except as needed to cover current expenses and to make the contribution to the provincial and international level.

A community's funds normally consist of contributions from its members and/or moneys raised through community projects such as cake sales, cards, small craft items, events, etc. There is a real risk that the community is on "the wrong track" if its members profit from its resources or get material help from the community or, on the contrary, suffer financially because of their participation.

For activities related to the time of fidelity (fourth time), like holiday camps or pilgrimages, fundraising must be limited to covering the cost of the projects.

### Fundraising

For donations and subsidies, the following rules must be followed:

1. Those who contribute must be clearly informed that the moneys are not intended to help people materially but are to be used to run the movement and its communities or to carry out a specific project (pilgrimage, meeting, formation). The appeal for donations is therefore based on the profound meaning of Faith and Light's mission.
2. What is true as to resources is also true as to how money is used: no unit in Faith and Light (community or province) may, in the name of Faith and Light, financially support an establishment that helps people: school, residence, humanitarian organisation, social self-help organisations, etc...
3. Requests made to international organisations for aid or subsidies are submitted to the international team for approval to avoid multiple requests to the same organisation and to confirm the merits of this request.
4. When we apply for subsidies, it is recommended that we emphasize formation expenses. Meetings, documents and sessions are all forms of formation. The cost of these activities usually amounts to 60 to 70% of the expenses of a province's budget.

## I. Accounting principles

There are financial rules common to all levels of Faith and Light: the community, the province and the international level.

- a) **The financial year** runs from January 1 to December 31.
- b) **The funds collected** are kept in a bank account in the name of the entity Faith and Light. For the communities that are not legal entities, a joint account is opened by the treasurer and the community coordinator.

- c) At the level of Faith and Light International, **the accounts** are presented in Euros.
- d) **Every accounting entry** requires a corresponding voucher, signed by the person authorized to make the transaction.
- e) **Transfers of funds** should preferably be made by bank transfers or through the web site, in order to provide an audit trail.
- f) **Any movement of funds** by means of a cash transaction requires a procedure where at least two persons are involved: one who signs the voucher and another who verifies it.
- g) **The balance** at the end of a financial year of a community/ province must be minimal and should never exceed the immediate operational requirements of this entity. It should certainly never exceed the amount required for one year of operation. An excess can only be considered if a specific project has been decided on and the financing of it has to take place with a short deadline. Potential surpluses should always go to the level above (communities to provinces, provinces to the international level).
- h) Budgets**
- At each year end, a community sets a budget for the coming financial year and sends it to the province for validation.
  - Likewise, each province sets its budget for the coming year and sends it for validation to the Vice International Coordinator to whom it is linked.
  - The Vice International Coordinators pass the budgets for their provinces to the International Secretariat with any comments that they feel will be useful.

**i) Monitoring and control of accounts**

In the first quarter of each year, any Faith and Light entity must submit to the entity above it, the prepared accounts from the previous financial year and the budget for the current year.

The communities send their accounts to the Province Treasurers who comment on them.

The Province Treasurers send their accounts to the Vice International Coordinator (to whom they report) who comments on them.

The Vice International Coordinators send the accounts from their provinces, to which they have added comments arising from an analysis that they have done on them, to the International Secretariat.

**J) Setting expenditure commitment limits**

Each Vice International Coordinator must determine the amount of expenditure that may be incurred under one or more signatures by those reporting to him or her. Each year, these tables should be sent to the International Secretariat at the same time as the province accounts.

Transparency and professionalism are essential requirements of all bookkeeping in Faith and Light.

**2. Financial contributions**

- a) **Each recognised province** must contribute financially to the International Association so as to maintain its operation. This annual contribution is made up of the financial contributions made by the members and/or through fundraising campaigns.

## **b) Contributions<sup>1</sup>**

The annual contributions asked of the community members cover 3 different needs:

1. The basic minimum needs of a community life.
2. The needs of the province as determined by the Provincial Team in order to carry out the activities decided by the Provincial Assembly..
3. The functional needs of the International Association as determined by the Board of Directors.

Each community determines the amount that it should ask from each of its members by integrating the needs of the community, those of the province and those of the international.

## **c) Payment**

Each year, the community coordinator pays the Provincial Treasurer the contributions requested for the province and the international level and indicates the total number of individual contributions received.

The Provincial Treasurer keeps the portion of the contributions received for the province and pays the portion intended for the international level to the International Secretariat on the basis of the amount which was committed to at the beginning of the year.

This amount is calculated by the province according to the means of each community. It also incorporates the solidarity effort made by the communities to benefit the most impoverished provinces so that they can organise their summer camps, formations, their team's meetings.

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<sup>1</sup> See the intranet of the website 'Table of contributions' in the Finances folder.

### 3. Solidarity as aid at the international level

- a) A province that wishes to receive solidarity must send the projects<sup>1</sup> for which it will need the solidarity to the Vice International Coordinator who accompanies it. The portion covered by the province must be at least 10%. This budget is presented to the Board of Directors by the International Coordinator and his Deputy to be approved or not.

The solidarity funds are paid by the international level to the province only at its request, with the agreement of the Vice International Coordinator who accompanies it.

The beneficiary province sends a report<sup>2</sup> with photos and testimonies to the Faith and Light International Secretariat.

- b) The exchange of money for international solidarity takes place only through the International Secretariat of Faith and Light.

Under no circumstances is a community or province entitled to send money for Solidarity directly to a community in another province

### 4. Rules for travel and accommodation expenses

- a) The cost is covered by the unit that appoints.

**1<sup>st</sup> example:**

The cost of travel and accommodation of a provincial coordinator attending the Coordinating Council meeting is paid by the province. The coordinator can make a personal voluntary contribution.

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<sup>1</sup> See the intranet of the website, Finances folder 'Document for request of solidarity'

<sup>2</sup> See the intranet of the website, Finances folder 'Report for beneficiaries of solidarity'

## **2<sup>nd</sup> example:**

The costs of a visit by a Vice International Coordinator to a province, or by a Vice Province Coordinator to a community are taken care of as follows:

travel expenses, by Faith and Light International or the province, as appropriate,  
accommodation, by the inviting province or community.

### **Exception**

A province that invites X to talk during a provincial session in principle takes care of the expenses (travel and accommodation) regardless of what level X reports to. It informs the Vice Coordinator who accompanies it.

- B) The least costly travel and accommodation options are to be preferred, at all levels.
- Meeting places must be centrally located and readily accessible for all participants, inexpensive though comfortable, and allow for self-financing by the participants, whenever possible.
  - Public transport should be used whenever available.
  - Air travel should be in economy class by the shortest route, but without the obligation to make excessive stop-overs or endure lengthy waits.
  - Volunteer participation for local transportation is to be encouraged.
  - The use of taxis is to be avoided except in exceptional circumstances.
- C) When a member of the Board of Directors or any other member of Faith and Light International travels abroad at the invitation of a province, this trip and the costs arising from it must be notified to the International Treasurer and the Secretariat of Faith and Light International for the information of the Board of Directors.

## Appendices

### Provincial Treasurer's Calendar

- **November:** Preparation of the 2023 budget of the province.
- **December-January:** Estimation of the amount of the contribution for Faith and Light International, to be sent to the International Secretariat in January.
- **January to March:** Settlement of accounts.
- **January to June:** Payment of contributions to Faith and Light International.

### Community Treasurer's Calendar

- **September-November:** Collection of contributions for the coming year.
- **December-January:** Payment to the provincial treasurer of the contributions due to the province
- to the province and international.
- Fill in a simple table with the income and expenses of the community and send it to the provincial treasurer once a year for information.

### Example of a table of accounts of the community

**Table of the community income and expenses**  
Year 2023

<b>Name of the community</b> <b>Community coordinator :</b> <b>Community treasurer :</b> <b>Currency :</b>
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Balance of the previous year	50,00
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Date	Title	Income	Expenses	Balance
30/09/2022	Individual contribution x 20)	500		
30/09/2022	Contribution for a family x 5)	150		
10/12/2022	Supplies for activities		62	
15/12/2022	Participation in the heating of the parish hall		80	
12/05/2023	Announcement and Sharing Day	150		
<b>Total</b>		<b>800</b>	<b>142</b>	<b>708,00</b>

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(Balance from previous year  
+ total revenue - total expenses)

