

# **Greek Orthodox Metropolis of Pittsburgh**

## **Archdiocese National Ministries Commitment**

### **General Information**

#### **CHARGE TO THE ARCHDIOCESE FINANCE COMMITTEE**

The Archdiocese Finance Committee is a standing committee of the Archdiocesan Council. It is comprised of volunteers from across the county as well as members from the Archdiocesan Council.

The 2004 Clergy-Laity Congress charged the Finance Committee to develop a system of parish allocations that will provide stable revenues to Archdiocese, its ministries, and the Metropolises while insuring fair and equitable parish assessments across the county. The Finance Committee developed and submitted an improved assessment process to the 2006 Clergy-Laity Congress held in Nashville and this process as adopted by the Congress is to be implemented in all Metropolises and the Archdiocesan District for the 2007 parish allocations.

#### **METROPOLIS FINANCE COMMITTEE**

The Metropolis Finance Committee's primary responsibility will be for the implementation and maintenance of the parish allocation process. The Committee will have to make collective judgments such as appeal and enforcement decisions. It is likely to have to make tentative policy relative to the allocation process implementation until this policy can be ratified during the ensuing meeting of the Metropolis' parish representatives.

The Chair of the Committee is responsible for the day-to-day administration, including the supervision of the work of assigned staff and/or volunteers assisting in this process. The Committee should have at least five members, including the Metropolis Chancellor and Metropolitan Council Treasurer. As with all Metropolis committees, the Metropolitan presides over the committee at all times.

#### **ARCHDIOCESE SUPPORT OF METROPOLISES**

Each Metropolis will allocate as a minimum to its parishes the total amount assigned to it by the Archdiocese. Each Metropolis will annually receive \$375,000 or 25 percent of the finds collected from its parish payments towards their allocations during the year, whichever is greater. Thus, every Metropolis is ensured sufficient funds to provide the core services needed to serve its constituent parishes.

If the parishes of a Metropolis pay at least 100 percent of the Archdiocese-assigned amount, the Metropolis will receive an additional bonus of 2 percent of the total amount collected from the

parishes during the calendar year. If a Metropolis allocates only the assigned amount to the parishes, it will never be able to obtain the bonus as there will always be some parishes which do not meet their allocation by the end of the calendar year. Furthermore, if the Metropolis has an allocation appeal process, the total amount collected relative to the Archdiocese-assigned amount will be even less. If it doesn't have an appeal process, even more parishes are likely to not complete their allocations by the end of the calendar year. The way to address this problem is to increase the Archdiocese-assigned amount by a pre-selected percent. Some people call the increase a 'cushion' and other call it a 'reserve'. It really isn't a reserve in that the funds are not set aside in a special account for this purpose but rather are allocated to the parishes. A Metropolis that has been dealing with this problem for several years has been using a 10 percent 'cushion' which provides enough safety to deal with parish appeals as well as those few parishes which do not complete their allocations by the end of the calendar year. However, this cushion was not sufficient for the year in which several parishes experienced severe hurricane damage.

### **ARCHDIOCESE ALLOCATION TO THE METROPOLISES**

The funds from the parish allocations support the Archdiocese including such ministries as the Orthodox Observer, the Archdiocese Website, and GOTELECOM, which is available to all Greek Orthodox, and supports Religious Education, Hellenic studies, and youth programs for all parishes. The allocations also support Hellenic College and Holy Cross Greek Orthodox School of Theology, and the Ecumenical Patriarchate. Besides these areas, over one-quarter of these funds are dedicated to the support of the Metropolises.

The 2006 Clergy-Laity Congress agreed to increase each Metropolises' 2006 total parish allocation by 10% of the typical collection rate over the past three years -- 93 percent of the initial allocation amount -- for the 2007 year (this results in an effective 9.3% increase).

The Clergy-Laity Congress also agreed to increase each Metropolis' 2007 total parish allocation by 8 percent of the typical collection rate over the past three years for the 2008 year (this results in an effective 7.44% increase).

For the 2009 year, an intense effort will be made to equalize the total parish allocations among the Metropolises as well as continue the effort to equalize the allocations among the parishes within each Metropolis.

### **ALLOCATIONS FROM METROPOLISES TO THEIR PARISHES**

Each parish's share of the total amount to be allocated that is assigned to the Metropolis by Archdiocese is the same as its share that its Net Expenditures is of the total Net Expenditures for all the parishes in the Metropolis -- be it 0.1 percent, 1 percent or 10 percent of the total. The reason for this is the most equitable (fair) approach is that the parish's Net Expenditures represents what it can afford to pay to the Archdiocese for its support of the Greek Orthodox Church.

If this allocation process is to be successful, the parishes must provide the Metropolis with accurate information concerning their total and detailed expenditures, particularly those expenditures that

will be deducted from the total expenditures as the Net Expenditures is calculated. If parishes are to be committed to provide this accurate information on a timely basis, representatives of these parishes must be actively involved in the major decisions and understand all aspects of the allocation process.

### **ENFORCEMENT PROCESS**

If a parish intentionally submits inaccurate information, it is being unfair to its sister parishes in its Metropolis as the other parishes will be assuming an increased allocation to make up for the reduced allocation to this parish. While the vast majority of the parishes will not do this intentionally, a few will. In an effort to ensure that neither intentionally nor unintentionally inaccurate data is being submitted, the Metropolis will select 5 parishes at random each year for audit by the Metropolis finance committee. Any parish providing inaccurate information will also be audited additionally.

Unfortunately, some parishes will not complete their allocation by the end of the year and will not commit to a plan to complete the allocation in a timely fashion during the new year while also paying toward the new allocation, in spite of the Metropolitan withholding the approval of the Parish Council election. Thus, a process is needed to deal with such parishes. The following process is being used by more than one Metropolis with great success:

Parishes refusing/failing to meet its Archdiocese allocation:

- Step 1: Most recent Parish Council election not ratified
- Step 2: If appropriate action not taken, Metropolis Finance Committee meets with the Parish Council
- Step 3: If appropriate action not taken, a complete audit of the parish's accounts and funds is conducted by a CPA
- Step 4: If appropriate action not taken, Metropolis Finance Committee meets with the Parish's General Assembly
- Step 5: If appropriate action not taken, Metropolis will apply the appropriate sanction to the parish

**For more information, or for assistance, please contact the Chancellor of the Metropolis, who will assist you, or put you in contact with the appropriate committee members. You may also visit the Metropolis website at: <http://pittsburgh.goarch.org> for more information.**

*Thank you for your dedication and stewardship to the Church, and for the unselfish stewardship of your parish towards God's work.*