

Parish Assessment Policy

1. PURPOSE

This policy defines the financial obligation of parishes and missions to The Diocese of the West and to The Orthodox Church in America.

2. SCOPE

- a. This policy applies to all missions and parishes in The Diocese of the West (DOW).
- b. This policy describes the objectives of the DOW as it moves from 2 distinct methods of parish support of the diocese and The Orthodox Church in America (OCA) that are currently in force, to a single percentage giving method for the support of both.
- c. This policy replaces the policy for computing the Diocesan Percentage Assessment (DPA).

3. REFERENCES

- a. Bylaws of the Diocese of the West, Section VIII, #16
- b. Percentage Assessment Program, 10 Oct 2002

4. POLICY STATEMENT

Parishes shall remit a **percentage** of their monthly **Eligible Income**, to the DOW. The DOW, in turn, shall remit 34% of diocesan assessment income to the OCA.

Parish treasurers shall calculate their monthly **Eligible Income** based on the following Formula:

TOTAL GROSS INCOME minus

CAPITAL CAMPAIGN CONTRIBUTIONS (Building Fund), plus
DONOR RESTRICTED CONTRIBUTIONS, plus
CHARITABLE EXPENSES, plus
PASS-THROUGH INCOME

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5. POLICY IMPLEMENTATION

This policy shall be implemented over a three-year period. The initial parish percentage shall be effective on January 1, 2016. Thereafter, the percentage shall be adjusted up or down by at least .5% each year until the targeted parish percentage is reached in 2019.

The **percentage** that shall be applied to the monthly **Eligible Income** beginning January 1, 2016 shall be:

- a. **14% & 13%** - for parishes currently assessed near these levels
- b. **12% & 11%** - for select mature parishes
- c. **10%** - for established missions (approximately 3+ years)
- d. **10% to 6%** - 'out of plan' levels for ***special-needs Parishes & Missions***
- e. **4%** - for **New Missions (under 3 years)**
- f. **0%** - for struggling Missions (under 3 years) and **startups**

The percentage that shall be applied to the monthly Eligible Income beginning January 1, 2019 shall be:

- a. **12.5%** - For ***all Parishes***
- b. **10%** - For ***all established Missions***
- c. **10% & 6%** - 'out of plan' levels for ***special-needs Parishes & Missions***
- d. **4%** - for ***New Missions (under 3 years)***
- e. **0%** - for **startups**

The financial obligation of diocesan parishes and missions to the Diocese of the West and the OCA shall be satisfied by compliance with this policy.

6. DEFINITIONS

Gross Income – All forms of income received by the parish (e.g., donations, tithes, pledges, or dues), except stocks, bonds, and in-kind donations. Also includes NET income from bookstore, candle stand, fundraising and rental activities.

Funds received from a loan are not considered as part of gross income.

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Capital Campaign Contributions – contributions to the parish for the acquisition of land and buildings for worship and fellowship.

Donor Restricted Contributions – contributions to the parish for the acquisition of donor specified items to beautify the church. Any contributions to the parish for specific items or activities. Donor contributions for a charitable purpose. Pay-as-you-go donations for specific construction expenses.

Although a parishioner might donate funds for utilities, repairs, or other operating expenses, these donations may NOT be considered Donor Restricted Contributions under this policy.

Charitable Expenses – Expenses paid out for a charitable purpose over and above the amount collected as Donor Restricted Contributions.

Pass Through Income – Sisterhood or fellowship donations to the parish. Income, other than charitable donations for external entities, that is not used to pay parish expenses.

7. RESPONSIBILITIES

a. Diocesan Council

- 1) Receive and act upon, if necessary, compliance issues brought to its attention by the Treasurer and/or Finance Committee
- 2) Review the effect of this policy on Diocesan income and the support of the OCA.
- 3) Initiate revisions to this policy, as needed.

b. Finance Committee

- 1) Establishes transitional parish percentage assessment as the program evolves
- 2) Specifies the **Special Needs Parishes and Missions**
- 3) Processes parish/mission percentage appeals submitted by the Dean of the parish
- 4) Monitors the percentage assessment program
- 5) Monitors the impact of the program on parishes

c. Director of Missions

- 1) Monitors the impact of the program on missions
- 2) Establishes percentage for a new mission and the date percentage will begin to apply

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- 3) Determines the financial training needs of missions.
 - 4) Recommend percentage adjustments for missions with special problems.
- d. Diocesan Treasurer
- 1) Coordinates and implements policy in a consistent manner.
 - 2) Supports and trains parish treasurers on this policy and other financial matters.
 - 3) Remits percentage assessment to the OCA on a monthly basis
 - 4) Records and monitors the collection of monthly parish assessments based on the assigned parish percentage.
 - 5) Reconciles amount of annual assessment against the required parish annual income/expense report.
- e. Diocesan Dean
- 1) Confers with parish rectors when assessments are not remitted in a timely manner.
 - 2) Reviews any parish appeals and forwards those requiring action to the Finance Committee.
- f. Parish Treasurer
- 1) Computes the parish assessment and remits that assessment to the Diocesan Office before the end of the following month.