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
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
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.