

Parish Proportional Giving Policy

1. PURPOSE

The purpose of this document is to define the percentage-based parish proportional giving policy for the Diocese of the Midwest (DOM), a diocese of the Orthodox Church in America (OCA). It has been prepared for general distribution with the blessing of +PAUL, Bishop of Chicago. This policy will be effective January 1, 2019.

2. SCOPE

- a. This policy applies to all ecclesiastical entities of the DOM, including but not limited to, chapels, missions, and parishes. For the purposes of this policy, except when explicitly noted, where the term “parish” is used, it is intended to apply to the ecclesiastical entities as defined in this paragraph.
- b. This policy addresses a proportional giving plan to financially support the DOM and the OCA.
- c. This policy has been designed to work with the OCA’s financial policies.
- d. The financial obligation of all ecclesiastical entities in the DOM shall be satisfied by compliance with this policy.

3. POLICY STATEMENT

- a. Parishes shall remit a percentage of their last complete fiscal accounting year’s Eligible Income in twelve monthly increments to the DOM. For example, parishes shall remit a percentage of their 2017 Eligible Income in 2019. The DOM, in turn, shall remit the appropriate percentage of Diocesan income received from the parishes to the OCA.
- b. Parishes shall complete the Parish Financial Worksheet (FORM 1) and submit it to the Diocesan Chancery Office in Chicago, IL not later than July 1. For example, parishes shall submit FORM 1 for 2018 by July 1, 2019. Parishes can submit FORM 1 via email at stewardship@domoca.org.
- c. Parish treasurers shall calculate their **Eligible Income** and proportional giving based on the formulae in Section 4.
- d. Parishes that fail to submit their Parish Financial Worksheet in a timely fashion shall remit payment based on the previous year’s rate and be referred to the Diocesan Bishop for appropriate corrective action.

4. PROPORTIONAL GIVING PERCENTAGE

The 2018 Diocesan Assembly set the **proportional giving percentage** at 13% of Eligible Income.

The **Eligible Income** (calculated in FORM 1) is defined as follows:

Eligible Income = Total Prior Year Gross Income from all sources minus the sum of the following:

- Capital Campaign Contributions (Building Fund)
- Donor Restricted Contributions (not for normal operations)
- Pass-Through Recorded Income (only if recorded to income)
- Charitable Expenses
- Investment income recorded to respective Restricted Fund (noted above)

(See **Section 5, DEFINITIONS**, for a further explanation of these terms).

NOTE: Parishes may seek **relief from their financial obligations** on the grounds of financial hardship. Parishes seeking such relief must contact the Diocesan Bishop as soon as possible with evidence supporting their concerns and a proposed financial plan. Starting in 2019 and for future years, parishes shall file their requests for relief by July 1. The Diocesan Bishop shall request the Diocesan Finance Committee conduct a thorough review and make a recommendation. The Diocesan Bishop will make the final decision on relief from financial obligations and inform the Diocesan Council. Any and all relief from financial support obligations are valid for one year and shall be put in writing and filed with the Diocesan Chancery. Requests for relief should be sent to the Diocesan Bishop at: **bishoppaul@domoca.org**.

5. DEFINITIONS

Gross Income – All forms of income received by the parish, whether donations or dues, including stocks and bonds valued as of the date of donation. In-kind donations (non-cash) are excluded. Other examples include net income from cemetery, bookstore, candle stand, fundraising, rental activities, and all other sources of income. Funds received from a loan are not considered to be part of gross income.

Capital Campaign Contributions – Contributions to the parish for the acquisition of land or buildings, or the MAJOR restoration (at least 40% of the cost of the asset) of current worship or fellowship facilities. Mortgage payments are excluded (considered to be normal operating expense); however, restricted donations specifically to pay down a mortgage are eligible capital campaign contributions.

Donor Restricted Contributions – Contributions to the parish for the acquisition of donor specified items (e.g., to beautify the church) and for specific items or activities, including donor contributions for an external charity. Although donated funds may be specified for utilities, repairs, or other operating expenses, these donations are NOT considered Donor Restricted Contributions under this policy.

Board Directed Fund – The transfer of funds from general operating resources in support of any restricted fund or project are NOT considered Donor Restricted Contributions under this policy.

Pass Through Income – The transfers of capital, if the transfer-in was considered income to the parish, or cash for convenience of organizations or parishioners and the disbursements do not result in a material benefit to the parish.

Charitable Expenses – Expenses paid out to an external charity over and above any amount collected for the charity.

6. RESPONSIBILITIES

a) DOM Diocesan Council

- i. Takes official note of financial issues brought to its attention by the Bishop, Treasurer, and/or Finance Committee, including arch-pastoral grants of financial relief.
- ii. Reviews the effect of this policy on Diocesan income and the support of the OCA.
- iii. Initiates revisions to this policy, as needed.

b) DOM Finance Committee

- i. Reviews and modifies, as required, proportional giving percentages as the program evolves.
- ii. Prepares a payment proposal to present to the Bishop, who will make the final decision, for parishes seeking relief from their specific financial obligations.
- iii. Monitors the impact of the program on parishes.

c) DOM Treasurer with assistance of DOM Chancellor

- i. Coordinates and implements this policy in a consistent manner.
- ii. Supports and trains parish treasurers on this policy.
- iii. Reviews parish financial reports for compliance with this policy.

d) DOM Bookkeeper

- i. Invoices parishes on a monthly basis.
- ii. Remits financial support to the OCA monthly.
- iii. Records and monitors the collection of parish financial obligations.

e) DOM Area Dean

Confers with parish rectors when financial obligations are not remitted in a timely manner. Works in conjunction with the DOM Treasurer and DOM Chancellor to provide guidance to the parishes on financial compliance matters.

f) Parish Treasurer and/or Financial Secretary

- i. Completes the Parish Financial Worksheet (FORM 1) and submits to the DOM Bookkeeper not later than July 1.
- ii. Remit the monthly financial obligation to the Diocesan Bookkeeper before the 20th day of the following month.

**Diocese of the Midwest
Parish Financial Obligation Worksheet 2018
Proportional Giving: 13% of Eligible Income**

Parish Name: _____ **City:** _____

	Description	FY 2018 Income
Line 1	Gross Income (from all sources)	
	Less:	
Line 2	Capital Campaign Contributions plus Investments income recorded into the Restricted Fund	
Line 3	Donor Restricted Contributions (donor has specified use) plus Investments income recorded into the Restricted Fund	
Line 4	Other one-time Restricted Donations (must not be for normal operating expense)	
Line 5	Pass-Through amount recorded for convenience of parishioners and not intended for Parish expenses (only if recorded in Gross Income)	
Line 6	Total Adjustments to Income (Lines 2 through 5) Calculation	
Line 7	Net Operating Income (Line 1 less Line 6) Calculation	
	Less:	
Line 8	Candle/Flowers expense for worship services or programs	
Line 9	Charitable Expenses over and above donor contributions	
Line 10	Eligible Income for Proportional Giving Calculation	
Line 11	Parish requests financial relief due to hardship.	Yes / No
Line 12	If Yes , submit evidence supporting their concerns and a proposed financial plan to Diocesan Bishop with FORM 1.	

Parish Rector or Priest-in-Charge

Parish Treasurer

Date

Date

SUBMIT DOCUMENT VIA EMAIL TO: STEWARDSHIP@DOMOCA.ORG