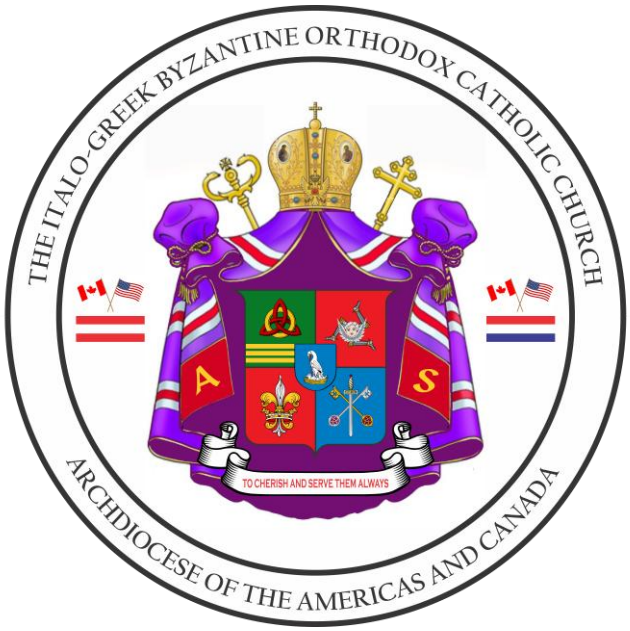
ARCHDIOCESAN POLICY
ON FINANCIAL ACCOUNTABILITY



ITALO-GREEK ORTHODOX HOLY METROPOLITAN
ARCHDIOCESE OF THE AMERICAS AND ACANADA

Promulgated October 2025

DECREE OF PROMULGATION

As the Primate of the Italo-Greek Byzantine Orthodox Catholic Church and the Metropolitan of the Americas and Canada of the Italo-Greeks, I decree that this "Archdiocesan Policy on Financial Accountability", originally published and adopted on February 12, 2017, and revised and updated on October 10, 2025, is hereby promulgated as particular law and policy for the Archdiocese, effective immediately.

The previous "Policy on Financial Accountability," enacted on February 12, 2017, and currently in effect throughout the Archdiocese, is hereby abrogated and replaced by this present Policy.

Given at the Chancery of the Italo-Greek Orthodox Holy Metropolitan Archdiocese of the Americas and Canada in the God-protected City of Utica in the State of New York on this 10th day of October (the 27th of September according to the Julian Calendar) in the Year of Our Lord 2025.

Most Reverend Archbishop STEPHEN
Metropolitan of the Americas and Canada of the Italo-Greeks
Bishop of Utica
Primate of the Italo-Greek Byzantine Orthodox catholic Church

Archdiocesan Protocol for Financial Accountability

Introduction

In secular society, it is expected that any non-profit organization recognizes its responsibility towards its stated mission and the people it serves. Further, it must understand that it is accountable to donors and recipients of its services, as well as to regulatory agencies to a greater or lesser degree. Of high importance is its reputation for responsibility, accountability, ethics, and fair dealing. Should this reputation be compromised, substantial damage can be expected to the potential fulfillment of the organization's mission. For this reason, utmost care and discipline must be exercised in the establishment of policies and procedures for financial accountability.

The above statements go double for the Church, the Body of Christ. We must be **truthful**, as Christ is the Truth (John 14:6). We must be **trustworthy,** for "it is required of stewards that they be found trustworthy" (1 Cor. 4:1-2). And we must always be **open,** for Jesus said: "There is nothing hid, except to be made manifest; nor is there anything secret, except to come to light." (Mark 4:22).

As members of the Church who share the responsibility of administering the financial and physical assets and resources of the Church, we must always set our standards high and do our utmost to make the best use of what belongs rightly to God so that in all things, He is glorified before all people. To ensure that we do our job responsibly and to the best of our ability, the Archdiocese has developed specific policies and procedures designed to assure the best practices of financial accountability and transparency in the administration and stewardship of the Church's resources.

The following are the principles for financial accountability and governance which shall become standard policy and procedure for the Italo-Greek Orthodox Archdiocese of the Americas and Canada:

1. Ensure clear and decisive financial governance.
2. Adopt ethics and conflict of interest policies.
3. Implement appropriate financial controls.
4. Conduct regular independent financial audits.
5. Ensure transparency of financial data and performance.
6. Maintain knowledge on emerging non-profit issues as they relate to, support and enhance Church administration and governance.

Ensure Clear and Decisive Financial Governance.

Within the Italo-Greek Orthodox Church in the Americas and Canada, the responsibility for financial governance is vested explicitly with, and shared by, the Archdiocesan Metropolitan Council and the Archdiocesan Finance Council. These two entities are charged with the responsibility of ensuring the proper and effective use of all assets and resources for the administration and operation of the Church.

This responsibility is evident from reading the Constitution of the Italo-Greek Byzantine Orthodox Catholic Church, which gives specific authority and responsibility to both the Archdiocesan Metropolitan Council and the Archdiocesan Finance Council. Further, the Constitution instructs the Auditing Committee (which audits the accounts of the Treasurer and the accounts and funds of all Church-related institutions every quarter), which functions under the direction of the Archdiocesan Finance Council, to report to this body quarterly. In addition, the financial responsibility and areas of competence of both the Archdiocesan Metropolitan Council and the Archdiocesan Finance Council are clearly defined in the Constitution of the Church, thus assuring an appropriate system and high standard of checks and balances as well as maintaining a commitment to conciliarity in the governance of the Church.

It should be noted, that in their respective areas of competence, both the Archdiocesan Metropolitan Council and the Archdiocesan Finance Council are representative of the whole Church, with the chair of both Councils being the Metropolitan and both Councils being comprised of members of the Church, both clergy and laity, elected by the Provincial Council, as well as the Chancellor, the Secretary and the Treasurer and non-members of the Church invited to provide "disinterested persons" perspective and support to assure the healthy and ethical operation of the Church.

For effective governance and execution of their fiduciary responsibility, it is paramount that both Councils:

1. Ensure that there are proper policies in place for ethics, conflict of interest, disclosure, and identification of fraud, records retention, and whistleblower protection.

2. Review all financial statements and ensure that they are clear, understandable, and communicate proper information for adequate stewardship (e.g., segregated and reconciled by fund and account) as well as budget comparisons and expense analyses.

3. Ensure that those chief officers responsible for the preparation of the financial statements of the Church (e.g., Treasurer, Comptroller) certify the annual balance sheet, income statements, and cash flow analysis for all Church funds (including endowments, bequests, charitable trusts) and fund flows.

4. Review procedures for internal financial controls to ensure that they safeguard and protect the Church's assets and resources.

5. Review compliance with all applicable laws and regulations and compliance with internal policies and procedures.

Adopt Ethics and Conflict of Interest Policies

The Archdiocesan Metropolitan Council shall ensure that policies are developed, adopted, and implemented regarding a code of ethics and conflict of interest. These are essential for internal guidance to officers and employees as well as external reassurance to donors and recipients of the Church's services.

The Ethics Policy shall include expectations for personal and professional integrity, governance, legal and regulatory compliance, responsible stewardship of funds (including endowments in accordance with donors' requests and wishes; bequests; charitable trusts, etc.), and other assets and resources, openness and disclosure, and program effectiveness evaluation. It should be mentioned at this point that there is a distinguishable difference between programs and ministries offered by the Church and that the evaluation of ministries is to be undertaken in such a manner that the ministry is measured primarily against the Gospel for its effectiveness and not solely based on financial criteria and impact. For example, if a program only serves a handful of people or is not meeting its stated goals, then it may be incumbent upon the Church to either end the program and allocate the funds to another program or merge the existing program with another program and allocate the funds there. In the case of a ministry, it will not matter how many people the ministry reaches because it fulfills a Gospel mandate; therefore, the Church will do all it can to maintain its ministries to the People of God.

The policy should emphasize that no one in the organization, no matter at what level, has the authority to dispense with any of these policy requirements. In fact, it shall be one of the Metropolitan's responsibilities to ensure that the policy requirements are strictly adhered to by all Church personnel (whether paid or volunteer) and organizations.

A Conflict of Interest Policy will assist in assuring that there will be neither possibility nor implication that funds or assets of the Church are being used for personal gain and not for the exclusive purposes and mission of the Church. The Policy shall provide a definition of conflict of interest, specify the positions that will be covered under the policy (e.g., the Metropolitan Council members, Archdiocesan Pastoral Council members, Archdiocesan Finance Council members, officers and employees of the Chancery office and the Consistory), require disclosures of potential/existing conflicts and procedures to be followed in such cases.

Implement Appropriate Financial Controls

Some basic principles which should be included in the Archdiocese's financial practices and controls include:

1. Accounting should be performed according to Generally Accepted Accounting Principles (GAAP) adapted from Not-for-Profit Organizations (e.g., see the Wiley text 2005 Non-Profit GAAP authored by Larkin and DiTommaso).

2. Internal controls are to be documented in the Archdiocesan Policy and Procedures Manual, including handling of incoming money or other assets or deposits thereof to the appropriate unrestricted/restricted/endowment/reserve fund, investment of assets, approval of all disbursements including petty cash and payroll, monitoring of expense accounts, etc., with adequate segregation of duties and corresponding checks and balances.

3. Ensure that funds are not commingled, donor requests and restrictions are honored, and use of funds is documented with the appropriate level of approval.

4. A regular training program for relevant personnel should be available for both basic and refresher education on accounting and controls.

5. A document retention and periodic destruction policy is to be instituted and included in the Archdiocesan Policy and Procedures Manual.

6. Special attention is to be paid to ensuring that "excess benefit transactions" do not take place and, if they do, to report these properly.

Conduct Regular Independent Financial Audits

It is essential that the Church and all its affiliated and dependent organizations and institutions have an annual external audit conducted of their financial statements, internal controls, operations, and accounting policies, by an independent certified public accountant or accounting firm experienced in such audits. For the Archdiocese, the first external audit will be conducted at the end of the 2007 fiscal year and will also include all archdiocesan organizations and institutions.

The requirement for an external audit shall not be waived even though there exists an internal Auditing Committee which is charged with regular audits of the Church's financial statements and condition. The experience and capabilities of an external, independent certified public accountant or accounting firm in conjunction with an annual independent audit is highly desirable to ensure proper financial accountability and governance.

Independent audits shall be conducted once a year, and the results shall be presented to the Metropolitan Council, the Archdiocesan Finance Council, and the Metropolitan at a joint meeting specifically convened for that purpose.

A random and unannounced audit of Archdiocesan finances and financial records shall also take place during the course of each fiscal year. Additionally, all Archdiocesan institutions, including parishes, missions, and communities, and other institutions or organizations chartered by the Archdiocese shall be randomly audited by the outside accounting firm.

At least every three years, and before the convening of a Provincial Council, the Archdiocesan Finance Council and the Archdiocesan Metropolitan Council shall authorize a complete forensic audit of the Church's finances and financial records. The results of such a forensic audit shall be given to the Provincial Council by the accounting firm conducting such a forensic audit.

Principles for Strong Financial Governance

1. The Italo-Greek Orthodox Archdiocese of the Americas and Canada has adopted a Code of Ethics that:

    - addresses principles of ethics and integrity for all Church personnel;
    - stipulates guidelines for working with minors and other vulnerable persons;
    - addresses conduct for pastoral counselors and spiritual directors;
    - forbids harassment;
    - identifies prohibited political activities, and
    - addresses confidentiality.

2. The Italo-Greek Orthodox Archdiocese of the Americas and Canada has adopted a Conflict of Interest Policy that:

    - requires reporting of potential and real conflicts of interest;
    - prohibits gifts and favors of value that could influence, or be construed as influencing a decision or obligation in the performance of one's duties;
    - prohibits board members from soliciting business or favors, and from voting on decisions that may constitute a conflict of interest, and
    - prohibits board members from influencing any activity that could confer a benefit on such member or anyone in the member's family or business.

3. The Italo-Greek Orthodox Archdiocese of the Americas and Canada has adopted a Whistleblowers Policy and a Reporting Ethical Misconduct Policy that:

    - requires reporting of violations of the Code of Ethics of the Archdiocese by Church personnel;

- stipulates that all reports will be treated in confidence as much as the Archdiocese's duty to investigate and act allows;
- stipulates that all reported violations of the Code of Ethics will be investigated, and
- prohibits retaliation against a person or persons who make a complaint or provide information regarding any reasonably perceived reportable activity.

4. The Italo-Greek Orthodox Archdiocese of the Americas and Canada has adopted a Fraud Policy which clearly states that fraud is not tolerated and that the prevention of fraud is the responsibility of all personnel involved in Church administration. The policy

    - stipulates that all suspected cases of fraud are to be reported and assures recrimination,
    - defines actions constituting fraud,
    - outlines reporting and investigating procedures, and
    - stipulates that fraudulent acts will be subject to disciplinary action, up to and including termination, civil and criminal prosecution, and in the case of clergy, suspension or deposition.

5. The Italo-Greek Orthodox Archdiocese of the Americas and Canada has adopted an Entity Audit Program and Independence Policy that:

    - requires the Archdiocesan Finance Council to pre-approve all services to be provided by an outside independent accounting firm and the fees for those services,
    - precludes specific services that could impair the auditor's independence,
    - requires audit partner rotation after five consecutive years of service, and
    - stipulates minimum reporting standards by auditors to the Archdiocesan Finance Council.

6. The Italo-Greek Orthodox Archdiocese of the Americas and Canada has issued a records retention schedule for financial records that is consistent with the guidelines currently in use by other Churches. The schedule identifies the required retention period for all types of financial records typically associated with Church organizations.

7. The Italo-Greek Orthodox Archdiocese of the Americas and Canada has issued budgeting and financial reporting guidelines for all Archdiocesan parishes, missions, communities and other entities. The guidelines stipulate that:

    - budgets are to be prepared annually;
    - the pastor and parish finance council review actual revenues and expenses against budgeted amounts on a regular basis;

- quarterly financial reports be issued to the parish pastoral council and an annual financial report be issued to the entire parish community, and
- the financial reports and supporting schedules which are required by the Chancery are submitted on a timely basis.

Principles of Strong Financial Oversight

1. The Italo-Greek Orthodox Archdiocese of the Americas and Canada has an active Investment Committee with an established charter to monitor investments and ensure compliance with investment policy and socially responsible investment guidelines.

2. The Italo-Greek Orthodox Archdiocese of the Americas and Canada has an active Building Commission to monitor construction and renovation projects and ensure compliance with archdiocesan guidelines for new acquisitions, and construction and renovation projects.

3. The Italo-Greek Orthodox Archdiocese of the Americas and Canada has an active Finance Council with an established charter to monitor archdiocesan finances and to fulfill the requirements of Canon Law, both universal and particular. Among other responsibilities, the Archdiocesan Finance Council:

    - approves the hiring of an independent audit firm;
    - approves the budget of the Archdiocese and its various entities and organizations;
    - approves the annual archdiocesan financial report;
    - receives all communications from the audit firm;
    - approves the asset allocation ranges for archdiocesan investments, and
    - approves archdiocesan assessments and all transactions requiring Finance Council approval by the Constitution of the Church and Canon Law, both universal and particular.

4. The Archdiocesan Finance Council of the Italo-Greek Orthodox Archdiocese of the Americas and Canada submits an annual Representation Statement to the Metropolitan certifying the execution of its responsibilities and specifying meeting dates during the previous fiscal year and since year-end. The Representation Statement is signed by each member of the Archdiocesan Finance Council, the Metropolitan, Vicar General, and Chief Financial Officer.

5. Annual independent audits are required for all archdiocesan entities.

6. The annual financial report of the Archdiocese (including financial statements and footnotes, the report of the independent auditor, and commentary on the activities of the Archdiocese, as well as a financial commentary) shall be mailed to every registered household and donor of record and posted to the archdiocesan website within sixty (60) days of the fiscal year-end.

Principles for Strong Financial Management

1. The Italo-Greek Orthodox Archdiocese of the Americas and Canada requires Chancery authorization to open all bank and investment accounts.

2. The Italo-Greek Orthodox Archdiocese of the Americas and Canada has adopted an Investment Policy Statement and Socially Responsible Investment Guidelines that are reviewed periodically.

3. The Italo-Greek Orthodox Archdiocese of the Americas and Canada has adopted standard procurement procedures and requires competitive bids when hiring an outside vendor/contractor to perform repairs, maintenance and/or improvements to archdiocesan properties when the total exceeds $5,000.

4. The Italo-Greek Orthodox Archdiocese of the Americas and Canada has established guidelines for new acquisitions and construction and renovation projects that address the necessary planning, financial requirements and construction process.

Additional Principles for Parish Financial Governance

1. The Italo-Greek Orthodox Archdiocese of the Americas and Canada has standard cash count procedures that require multiple unrelated counters, the use of locked or sealed bank bags for transporting deposits, and the use of standard count sheets, which are signed by all counters.

2. The Italo-Greek Orthodox Archdiocese of the Americas and Canada has adopted a standard chart of accounts that is used by all parishes.

3. The Italo-Greek Orthodox Archdiocese of the Americas and Canada requires that a representation statement certifying to parish council activities be submitted to the Chancery Office semiannually by every parish, mission, and community. The certification specifies meeting dates during the previous six-month period, that the council regularly reviews parish financial statements and discusses the financial condition of the parish at its meetings, and is signed by each member of the parish finance council and the pastor.

4. The Italo-Greek Orthodox Archdiocese of the Americas and Canada Finance Office conducts annual workshops for parish finance council members, parish financial staff and pastors that address timely issues pertaining to parish financial policies and procedures and civil regulations.

5. The Italo-Greek Orthodox Archdiocese of the Americas and Canada Finance Office performs announced and unannounced parish, mission, and congregation financial reviews designed to test the existence and effectiveness of entity internal accounting controls and compliance with archdiocesan policies,

procedures, and civil regulations. At the conclusion of each parish financial review, a report is issued to the pastor that includes recommendations related to deficiencies identified.

6. The Italo-Greek Orthodox Archdiocese of the Americas and Canada Finance Office monitors the financial condition of parishes, missions and communities by reviewing financial trends semi-annually. When negative trends are identified, appropriate investigation and follow-up is undertaken.

7. The Italo-Greek Orthodox Archdiocese of the Americas and Canada Finance Office has codified all financial policies and procedures for parishes, missions, and communities in a manual, which is available in printed form and on the Archdiocese website. The Italo-Greek Orthodox Archdiocese of the Americas and Canada Parish Financial Policies and Procedures Manual can be found at www.igoarchusa.org.