



Risk Management

An Evaluation Tool and Process

Administrative Goal 1.3



“Where there is no vision, the people will perish. “ Proverbs 29:18

Strategic Plan for the
Greek Orthodox Metropolis of Atlanta and its Parishes

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OBJECTIVE AND OVERVIEW

The Parish Council, working with the clergy and acting on behalf of the Parish Assembly, is entrusted with the management of the parish's activities, ministries and facilities. It has a responsibility to safeguard the church's congregation. It has fiduciary responsibility of the financial matters of the parish. The Parish Council must also adhere to federal, state, and local statutes which apply to the parish. It receives guidance through the Archdiocese Uniform Parish Regulations (UPR), the policies and procedures emanating from the Archdiocese, the office of the Metropolitan and Chancellor of the Metropolis of Atlanta, the Parish By-laws, approved budgets, and other policy decisions. This Evaluation Tool and Process is another resource available to the Parish Council, offering tactical considerations it can use to mitigate risk to the parish.

The objective of this Evaluation Tool and Process is not to dictate a set of risk management policies and procedures for the parishes of the Metropolis of Atlanta. Those come from the Metropolitan's or Chancellor's offices. The intent is for the Parish Council to develop its own systematic risk management approach for the operations of the parish. Each Parish Council must determine how it can best balance risk/cost and liability/safety. The strategy the Parish Council develops will be based on the demographics, size and talent within its own community. This Evaluation Tool and Process raises the awareness that there are numerous considerations to be evaluated, additional precautions that might be taken, or other procedures developed to make the Clergy, Parish Council, and those who assist them good stewards of their parishes and parishioners.

As this risk management goal goes forward, a further objective is to create a communication and best practices sharing process among the parishes. Topics will be rolled out periodically, training opportunities will be announced, and discussion forums will be offered for parish leadership.

WHAT IS RISK MANAGEMENT

Risk management can be seen foremost as being good stewards. It is a process to determine the best ways a parish can be good stewards of those things entrusted to its care: its people, its ministries, its physical assets, its financial gifts and more. Risk management does not eliminate loss or assure your congregation's safety.

There are three main issues that should be considered:

- The first is to determine the areas of risk and the likelihood of those areas of risk for your parish;
- The second area is prevention; that is, determine what the parish can do before something goes wrong;
- The third area can only be determined by each parish: the level of risk acceptable to the parish.

Since no parish is likely to be fully insured, the combination of level of insurance, the cost of implementing risk management policies and procedures balanced with the financial savings help manage risk.

THE RISK MANAGEMENT PLANNING PROCESS

WHO IS RESPONSIBLE – RISK MANAGEMENT COORDINATOR

Ultimately the Clergy and Parish Council oversee the risk management of the parish. Parish leaders understand that they must have property and liability insurance. This Evaluation Tool and Process challenges the leadership to expand its assessment of where things can go wrong, where the exposure is, and determine the level of risk they are willing to assume.

The first item for the parish leadership is to appoint the **Risk Management Coordinator** who will be tasked with this area of responsibility at the parish level.

FORM A RISK MANAGEMENT COMMITTEE, STRUCTURE AND PROCESS

The Plan Coordinator takes the lead and recruits others to serve on the **Risk Management Committee**. One immediate step should be to survey the parish for persons in related **risk management** fields, such as an insurance agent/broker, accountants, attorneys, human resource specialists, medical practitioners, food service workers, business owners, etc. These people are excellent sources of information and should be invited to be part of this process.

This Committee then begins to identify, analyze, and prioritize the risks faced by the parish. This includes reviewing all church assets, making safety checks, creating inventories, and annually reviewing the insurance policies of the parish. As these risks are identified, specialized teams might be formed such as a Safety Team, Crisis Management Team, etc. Plans are then developed by the Committee or these teams to mitigate the identified risks. Plans can be developed over time and in phases as risks are prioritized and resources are available. Plans can include safety evacuation for fires, shelter-in-place, medical emergencies, lost/missing child, Active Shooter, communication plans, and so on. The **Risk Management Committee** should be a standing committee in each parish and is responsible for the plan(s) and the work of the specialized teams that are formed.

An ongoing part of the process is for the **Coordinator** to be the parish point person for future communiques on the Metropolis Risk Management, be part of discussion groups, and to share best practices with other coordinators.

IMPLEMENTING THE PLAN

Once the plan(s) is developed, it now needs to be approved and supported by the parish leadership, communicated to the parishioners, and include appropriate training for groups. For the plan(s) to be successful, it needs to be sustainable, realistic, monitored, and integrated into the culture of the parish. The standing Risk Management Committee would be accountable for the on-going implementation and evaluation of the plan(s).

PLANNING RESOURCES

The first available resource to you is your insurance agent and company. Most have risk management brochures and websites to assist you in this process. Many can present workshops to your leadership and community. Each parish should work with its insurance carrier who not only conducts appraisals but who also identifies risks within your community. Carriers often have checklists and you should seek their advice on how to minimize any risks. Most carriers conduct annual or biannual audits and are good sources of information.

If your carrier does not offer on-line resources, there are several other insurance company websites that have resource materials accessible to non-customers such as Church Mutual (<https://www.churchmutual.com>) and Brotherhood Mutual (<https://www.brotherhoodmutual.com>).

The Metropolis has purchased for each parish **The Church Board Guide to Developing a Risk Management Strategy**. This is an excellent starting point for the Parish Council to use in understanding more about this process and offers practical steps on how to begin. This document is also available as a download to the parishes in the Metropolis of Atlanta. The parishes have permission to reproduce this for use within their parish at no additional cost. Additional resources on specific topics are available at <http://store.churchlawtodaystore.com>.

The parishes of the Metropolis of Atlanta are encouraged to consider a subscription to **Church Law and Tax**. The rate for a one-year subscription to ChurchLawAndTax.com for is \$119.95. This gives a church access to all their resources (which includes the full archives of Church Law & Tax Report and Church Finance Today plus each new issue published during the subscription period).

Assessment of Risk

The questions that need to be considered are:

- What is at risk?
- Do we know where our parish is vulnerable?
- How do we answer, “Could this happen here? How likely can something happen? How serious is the repercussion?”
- What can be done before something goes wrong?
- How much risk is acceptable?

The topics or areas to consider in the risk assessment process are listed and prioritized below. This Evaluation Tool and Process discusses the first two. Future risk management releases will continue with topics III through VIII. Sub topics and commentary are offered now for consideration until that information is developed and released.

I. COMPLIANCE WITH ARCHDIOCESE UNIFORM PARISH AND PARISH BYLAWS

All members of the Parish Council must understand the expectations of their roles as defined in the UPR and their local parish bylaws. Excerpts of the UPR pertaining to many of the administrative responsibilities are detailed in the last section of this document. Any questions regarding these responsibilities and duties can be directed to the Chancellor of the Metropolis. In extreme circumstances, non-compliance of the UPR can lead to the revocation of the church’s ecclesiastical charter.

The Parish Bylaws are the basis of the structure of the parish and its rules of operation. The Bylaws must be in compliance with the UPR and have been ratified by the Metropolis. Again any questions about this process can be directed to the Chancellor.

Parish Operating Manual or guidelines are important in the operations of the parish. Details not defined in the Parish Bylaws are documented here. It is the “how to” document of the operational processes and procedures to insure the parish runs smoothly. It serves as a guide for new Parish Council members, staff and volunteers, allowing for a smooth transition and serves as a training guide as new people join ministries.

II. PROTECTING CHURCH ASSETS – COMPREHENSIVE INSURANCE PROGRAM

➤ **Buildings:** Business property/contents, Inventory of Assets (Sanctuary/non-sanctuary), Rental Property, Property & Casualty

Insurance Coverage: What to cover and how much insurance is a major decision of each Parish Council. A taskforce of the Archdiocese is currently developing a list of recommended minimum levels of insurance each parish should have. This will be addressed at the 2018 Clergy-Laity Congress. Until that time, parish insurance coverage should be evaluated based on the items listed below that should be in a policy and the additional list to consider depending on the needs of the parish. Review this list with your insurance agent/ broker as part of your evaluation process.

Basic Recommended Policies/Coverage should include the following:

- Building Property
- Business Property (contents, to include liturgical items)*
- Business Liability
- Special Event Liability (Festivals, etc... if not included in base policy)
- Inland Marine (covers property in transit such as laptops, liturgical items that move)
- Commercial Umbrella Liability
- Workers' Compensation
- Counseling Professional Liability
- Cemetery Professional Liability
- Directors and Officers Liability
- Business Auto for vehicles owned by the Religious Organization
- Business Life & Health
- Burglary Or Robbery
- Damage To Premises Rented To You
- Demolition/ Debris Removal
- Employee Dishonesty (Ex: Theft/ embezzlement of offering receipts, misappropriation of funds for personal gain)
- Equipment Breakdown (refrigeration or HVAC from named peril)
- Fire Department Service Charge
- Fire Extinguisher Systems Recharge Expense
- Forgery Or Alteration of documents such as checks

**NOTE: Particular attention must be given to icons, icon screens and valuable liturgical items. They should be scheduled and valued individually under appropriate FINE ARTS or Inland Marine Coverage. If the icon is painted/applied directly to the wall surface, or permanently installed, confirm with your insurance agent or broker that you have appropriate coverage.*

Further, confirm with your insurance agent or broker that you have appropriate coverage when members of your parish are traveling on behalf of the parish or on group trips, and/or renting motor vehicles; and when staff and volunteers are conducting business on behalf of the parish, e.g., making bank deposits, shopping, and the like.

Additional Recommended Coverage to consider are the following:

- Arson Reward
- Back-Up Of Sewer Or Drain
- Building Collapse
- Cyber/data breach liability
- Damage To Non-Owned Buildings From Theft, Glass Expenses
- Increased Cost Of Construction And Demolition Costs
- Money And Securities
- Money Orders And Counterfeit Money
- Newly Acquired Business Personal Property
- Newly Acquired Or Constructed Buildings
- Ordinance or Law
- Outdoor Property
- Personal Property Off Premises
- Pollutant Clean Up And Removal
- Preservation Of Property (temporary repairs)
- Property Of Others
- Valuable Papers And Records On Premises (records rebuilding)
- Valuable Papers And Records Off Premises (records rebuilding)

As to how much coverage is needed is determined by assessing the cost of the insurance and the level of risk the parish is able to absorb in case of a loss. One learning opportunity is to review your insurance policy on a periodic basis with other established reputable providers, perhaps every three to five years.

Inventories of all assets within your parish are very important. While we do not think of them unless a catastrophe occurs, should you be faced with an

unfortunate occurrence, their value will then be appreciated. Take pictures of the holdings of each room, including the altar, and especially the iconography. Include all areas, such as playgrounds, gardens, or parking lots. The Community Center often includes storage areas, in addition to well-equipped kitchens which should be carefully inventoried as well. Where possible, place a replacement value based on the original cost, if known. Appraisers for some individual items may be consulted if needed.

➤ **Special Events** (Festival, weddings, baptisms)

Parishes often hold festivals, weddings, baptisms, and/or otherwise rent out facilities. We recommend a rental agreement outlining the terms and conditions of the use of the facilities be executed. Not only is there the need to protect church assets, but there is a need to include protection for parishioners and visitors. While most include coverage in these areas for church functions, when renting out your community center or other property, extra coverage is needed. All non-church sponsored renters need to have liability coverage and should produce such evidence as a condition of renting the space. Often, the carriers require such proof of liability coverage. The Archdiocese is contracting with an insurance provider that offers **Tenant Users Liability Insurance Policy**, or **TULIP coverage** which facility users can purchase to insure parishes.

➤ **Off-Site Events** (Sanctioned and non-sanctioned)

Participation in and travel to off-site events is a common feature in many ministry programs like day trips for senior citizens, youth athletics, Metropolis Youth Events, retreats, etc. Planning should include safety checks to prevent accidents and injury. Understand how your liability insurance covers these events, drivers, chaperones, and others before you go. Review with your insurance agent the details of your event for any extraordinary activities that require more preparation or additional coverage.

➤ **Alcohol at Events**

If your parish serves alcohol at special events, it is a good idea to have security present, especially in the parking areas. Off-duty police officers are recommended over security guards as they have the law enforcement authority as needed. Check with your local law enforcement for their policies on providing security by off-duty police officers. All parishes should have

written policies concerning alcohol sales and must comply with all local and state requirements concerning permits and licenses to serve alcohol. Understand the difference between liquor liability and host liquor liability. Trained bar tenders who understand the local alcohol serving laws should be hired for these events.

➤ **Directors and Officers Coverage**

This is in the recommended list above to include in your parish policy to cover the Parish Council. Members should fully understand the limits of this coverage including how it pertains to errors and omissions. Volunteer ministry leaders can also be covered for errors and omissions.

III. SECURITY (*FUTURE RELEASE*)

- (1) Buildings
- (2) Cyber Security
- (3) Personal Information & Office Records
- (4) Fire Safety and Compliance
- (5) Water spills
- (6) Active Shooter/Intruders
- (7) Terrorism

IV. CRISIS MANAGEMENT – RESPONDING TO CATASTROPHIC INCIDENTS (*FUTURE RELEASE*)

- (1) Emergency Response Procedures & Protocol Posted
- (2) Disaster Plan and Fire Evacuation
- (3) Emergency Medical Plan, First Aid, AED Program
- (4) Preventing Slip & Fall Accidents (Handrail, ramp, wheelchairs, & water spills)
- (5) Church Violence (Active Shooter, bomb threats, intruders, etc.)
- (6) Temporary Shelter Guidelines

V. CHILDREN AND YOUTH

The Metropolis of Atlanta strategic Plan Goals 11.2 and 11.3 will address these in detail. The Archdiocese will be releasing a national Youth Protection Program, which will be communicated to all parishes at that time.

Parish Considerations until these guidelines are released:

Working with youth within the local parish is a special privilege and one that requires much volunteer time. Each parish must be in compliance with the Archdiocese UPR and parish bylaws concerning background checks on all church workers. For those parishes with Greek Schools, pre-schools, and or daycare, special local, state and federal guidelines exist and each parish must also follow these guidelines. Additionally, insurance needs differ in these areas. Check with your insurance carrier for any special requirements covering personnel, travel, athletics, and school volunteers.

- (1) Child Safety
- (2) Inappropriate Behaviors
- (3) Working with Youth
- (4) Travel
- (5) Coaches, Athletics and gyms
- (6) Greek School/Church School/ Day Care/ Day School/ Pre-School

VI. EMPLOYEES AND VOLUNTEERS (*FUTURE RELEASE*)

The Parish Council must understand employment guidelines at the local, state, and federal levels. These include not only the development of human resource policies and procedures but also health and safety standards, as well as protecting the parish members by conducting background checks on all employees and key volunteers. Knowledge of federal regulations protecting against discrimination and safety standards is important to the well-being of employees and parishioners alike.

- (1) HR Policies & Procedures
- (2) Pre-Employment & Pre-Volunteer Background Checks
- (3) FCRA, FACT Act, DPPA, EEOC, ADA and state laws
- (4) Documentation of Outsourced Vendor Screening of employees who work in our church (e.g., custodians), etc.
- (5) Sexual Misconduct
- (6) OSHA requirements
- (7) Food Safety and Handling

- (8) Church Vehicles & Drivers
 - a) Driver screening
 - b) Special DOT rules for 15 passenger vans crossing state lines
 - c) Type of Vehicle (mini-bus verse passenger van)
 - d) Vehicle Safety Inspections
 - e) Proper Liability Insurance including “Medical Payments” coverage

VII. FINANCIAL PROCEDURES AND CONTROLS (*FUTURE RELEASE*)

Financial procedures and controls come directly under the supervision of the Parish Council and are very important in the area of managing financial risks. Policies and procedures for the handling of money, payments, and receipts, as well as signing all legal documents should be stated clearly and monitored by the officers of the Parish Council along with the parishes’ Finance Committee. Local, state, and federal guidelines must be followed regarding payroll, withholding, tax policies, property taxes, Unrelated Business Income Tax, and reporting. Accounting procedures must be monitored monthly and all investments must be under the direct supervision of the Parish Council and should also follow the Archdiocese UPR.

- (1) Financial Controls
- (2) Restricted Funds
- (3) Money Handling & Receipts (offerings and other)
- (4) Payments & Disbursements
- (5) Fidelity Insurance Coverage
- (6) Tax Policies
- (7) Sales/Use Tax Exemption
- (8) Payroll/ Withholding,
- (9) Property Tax,
- (10) Unrelated Business Income Tax,
- (11) Employee vs Independent Contractor, W-9, I-9, etc.
- (12) Compliance with IRS Guidelines, Charitable Status
- (13) State gambling laws and raffles
- (14) Benevolence policies

VIII. SOCIAL MEDIA

Metropolis of Atlanta Strategic Plan Goal 10.2 will address these guidelines

Parish Level Resources and Opportunities

WHAT TO DO LOCALLY – *beyond your insurance agent.*

Get to know your local fire station chief and police station captain so they know your facilities and campus. They can guide you with free training, check list and information. Some fire departments offer templates on fire safety policies the parishes can implement. Police departments may offer as a community service workshops and seminars. Examples are active shooter, physical security, etc.

Contact public safety agencies, such as county emergency response planners, the American Red Cross, and paramedics/rescue squads. Check with your commercial food suppliers for food safety handling workshops and guidelines.

Additionally, a licensed electrician and structural engineers are good sources of support for local parishes. These professionals, often available within your local parish, should review all buildings, property, and specifically classrooms, gymnasiums, kitchens, and external areas for **safety** and **fire compliance**.

EXCERPTS FROM THE UNIFORM PARISH REGULATIONS

PART THREE - UNIFORM PARISH REGULATION CHAPTER ONE PARISH AND PARISH ORGANIZATION

ARTICLE 15 -- PARISH

Section 5: The Parish shall conform faithfully to the worship, sacramental life, doctrines, canons and discipline of the Church. It shall also adhere to the Archdiocesan Charter, **the Regulations** and all Hierarchical encyclicals.

Section 6: Any non-conformance with the foregoing shall be dealt with in accordance with the provisions of the canons. The Archbishop, upon the recommendation of the local Metropolitan, shall have the authority **to revoke the ecclesiastical charter of a Parish**, if, in his judgment, there is sufficient cause for such action. In each such case, notice of the revocation, stating the cause for such action, shall be forwarded to the Parish Council in writing.

Section 7: The Parish shall furthermore **abide by the decisions of the Clergy-Laity Congresses** irrespective of whether it was represented thereat, the administrative determinations of the Archdiocesan Council, and such interim legislation as may be adopted between Congresses by the Archdiocesan Council.

ARTICLE 16 --PARISH PROPERTY

Section 1: The Church edifice and other buildings constituting Parish property shall be used in accordance with the Charter to serve the religious, educational, cultural and philanthropic ministries of the Parish. Parish **property shall be held and used by the Parish to carry out the purposes of the Orthodox Christian Faith as defined in Article 15.**

Section 3: The Parish may purchase real and personal property, or sell, mortgage or otherwise encumber its real property, or construct a church edifice or other buildings upon approval of two-thirds **(2/3) of the parishioners in good standing** present at a Parish Assembly duly called (with at least ten (10) days prior written notice) for that purpose, provided that **approval from the respective Hierarchy** is received, as follows: ...

Section 5: All special contributions, bequests, gifts, and devises beyond Stewardship shall be used by the Parish only for the purposes for which they were made.

ARTICLE 17 -- Clergy

Section 8: [Remuneration]

- A. After the review and approval of the respective Hierarchy, each Parish shall be obliged:
3. **To provide a housing allowance or a parish house including the payment of all utilities for such parish house. This designation is to be in the form of a Parish Council resolution and should be designated in advance of payment.**

ARTICLE 18 -- Parishioners

Section 7: Each Parish shall **maintain a Parish Record** which shall include, at a minimum, the following information concerning each parishioner: baptismal and family name, occupation (optional), dates of baptism and/or chrismation and marriage, complete family record of spouse and children,

date of entry into the Parish indicating if transferred from another Parish, date of death, and such other information that shall be deemed appropriate.

ARTICLE 19 -- PARISH MINISTRIES AND ORGANIZATIONS

Section 4: The Bylaws of any Parish organizations shall comply with the Charter and Regulations and shall be subject to the approval of the Priest, Parish Council and the respective Hierarch

ARTICLE 21 -- ORGANIZATION AND PARISH BYLAWS

Section 1: All Parishes must maintain and file Articles of Incorporation/Articles of Organization, Bylaws and/or other applicable corporate documents. All such documents shall comply with Archdiocesan requirements as such requirements may be amended, from time to time, by the Archdiocese. Parish Bylaws shall incorporate these Regulations by reference and may also include such additional provisions as shall be deemed necessary, by the Parish Assembly, to meet local needs. However, in the event of a conflict between a Parish's Articles of Incorporation/Articles of Organization, Bylaws or any other Parish document and these Regulations, the provisions of these Regulations shall govern; provided, however, that this sentence shall not apply to Parishes that have agreed to be designated as a national ministry or institution by the Archdiocese and whose Bylaws have been approved by the Archbishop. In the event that the Bylaws of a Parish do not specifically incorporate all of these Regulations by reference, they shall be deemed to do so.

Section 2: Upon the assignment of a Priest by the respective Hierarch, the Parish accepts and agrees to comply with the Charter and Regulations of the Archdiocese. A Parish's Articles of Incorporation/Articles of Organization, Bylaws and any other applicable corporate documents shall be submitted to the Archdiocese through the Metropolis for review and approval. Any amendment(s) to such documents shall also be submitted for review and approval, prior to the effective date of the amendment(s). Notwithstanding the foregoing, the Archdiocese's and/or respective Archdiocesan District/Metropolis' failure to review and/or to disapprove any document(s) or provision(s) thereof shall not be deemed a waiver of the right to subsequently review and/or disapprove the document(s) or any provision(s) thereof.

CHAPTER TWO PARISH COUNCIL

ARTICLE 24 -- PARISH COUNCIL – who can serve

ARTICLE 25 – Elections

ARTICLE 29 – Duties of Parish Council

CHAPTER THREE PARISH ADMINISTRATION AND FINANCE

ARTICLE 30 PARISH ADMINISTRATION

Section 1: The Priest as head of the Parish, by virtue of the ecclesiastical authority vested in him, shall guide and oversee the Parish. The Priest together with the Parish Council is responsible to the respective Hierarchy for the whole life and activities of his Parish.

ACKNOWLEDGEMENTS AND TEAM MEMBERS

This team humbly accepted this goal of the Strategic Plan, as stated in the Executive Summary, to help “manage the ‘business’ of our Parishes without turning our parishes into a ‘business.’” Through this goal, it is hoped that the parishes will further strengthen their operations as they prepare for or respond to the external challenges placed on them so they can be good stewards of those things entrusted to their care.

In appreciation for their guidance and direction to keep the team on task.

Bill Marianes, Metropolis of Atlanta Strategic Planning Facilitator

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Gerry Clonaris, Head Coach—other Task Forces

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