



Archdiocesan Assessments

New Policy – effective FY2016

Monthly Archdiocesan Assessment

Beginning with Fiscal Year 2016, the Archdiocesan monthly assessments will be invoiced on a ‘level payment plan’ using the following formula: The new annual assessment rate will be 16.6%. Each new fiscal year the Archdiocese will use a prior year’s net assessable income (after all allowable exemptions) as a ‘basis’. A standard deduction of \$50,000 will then be applied to that ‘Net Assessable Income’ (basis) as a further reduction. This will be the ‘Taxable Net Revenue’ subject to the 16.6% Assessment. Example: FY2016 Monthly Assessment Invoiced was based on FY2014 Revenue:

2014 Gross Revenues	Approved Exemptions	Net Assessable Revenue	Standard Deduction	Taxable Net Revenue	Rate	FY 2016 Annual Assessment
500,000	(50,000)	450,000	(50,000)	400,000	16.60%	66,400.00

Standard exempt income:

- Investment Income
- Archdiocesan Subsidy
- Catholic School donations or subsidy expenses
- Special Events expenses
- Parish rebate income (rebate income up to 50% of Parish’s current OBOB Goal is exempt)

Special “Approved” exempt income:

Capital Campaigns which have been approved by the Office of the Archbishop for a specific period of time. A Capital Campaign is a fund raising drive associated with an approved capital project. Capital Campaigns can be for such things as major renovations, substantial deferred maintenance, major improvements, or new construction. Capital Campaign Exemptions will be approved for a specific time period and a specific amount. When the time period has run out or the goal amount has been reached, the Capital Campaign ceases to be exempt from assessment.

One Bread One Body Allocation

The One Bread One Body Annual Appeal Allocation for each parish begins at 11.0% of a Parish’s Net Assessable Revenue (before Standard deduction). Pastoral exceptions to the amount can be granted by the College of Consultors. The amount excused by exception will increase the amount allocated to other parishes, and the overall percent to the Archdiocese remains at 11.0%. Any shortfall of the allocated goal amount each year at March 31st will be invoiced as an assessment to the Parish. Any excess of the allocated goal will be rebated to the parish. Rebates are exempted up to 50% of the parish allocated goal.



Office of the Archbishop
225 Cordova St. Anchorage, AK 99501
p:907.297.7755 f:907.279.3885
archdioceseofanchorage.org

February 26, 2015

In accord with the positive vote and recommendation of both the Presbyteral Council and the Finance Council of the Archdiocese (c 1263), I enact the following as particular law governing assessment of parishes in support of the Archdiocese.


It is enacted that, effective 7/1/2015; the following governs the Annual Assessment and the One Bread, One Body appeal:

Annual Archdiocesan Assessment

- The new methodology for calculating assessment shall henceforth include a \$50,000 “standard deduction” to be applied to gross revenue for all parishes:
- Existing “approved exemptions” (evidenced by my signed approval letter with amounts, duration and expectations¹) remain in place and are applied to the net income after the “standard deduction” has been taken;
- The FY 2015/2016 percentage shall be calculated at 16.6% of adjusted income;
- (Subsequent year’s percentages may fluctuate in accord with AOA budget and assessable parish income variances. “The basis” will be based upon the prior year’s data).

“One Bread One Body” Allocation (effective beginning with 2015 Campaign):

- The new methodology for calculating OBOB allocations shall henceforth become gross income (before standard deduction);
- The FY 2015/2016 rate shall be 11.3%;
- (Subsequent years percentages may fluctuate using “the basis” of prior year’s data so as to reach: -a- the same total required –b- after reduction for approved “pastoral exceptions”).
- “Pastoral Exceptions” shall be submitted through the Director of Stewardship & Development to the College of Consultors by the 1st of March each year which shall promptly make a final recommendation to the Archbishop;
- Henceforth, the portion of a parish’s OBOB rebate which is exempted from assessment shall be capped at 50% of each parish’s respective OBOB allocation amount. Rebates paid on amounts in excess of 50% of one’s respective OBOB allocation will be included in assessable income);
- Any parish’s deficit of funds collected vis-à-vis OBOB allocation shall be invoiced to the respective parish upon the close of that OBOB campaign.


†Roger L. Schwietz, OMI
Archbishop of Anchorage

¹In accord with the policy put in place in 2013 all then existing exemptions were extinguished and new exemptions were granted effective July 1, 2014. Only exemptions granted after July 1, 2014 are valid.

Monika Scott

From: Dr. Les Maiman
Sent: Friday, March 04, 2016 7:08 AM
To: Fr. Tom Lilly; Rev. Scott Medlock
Cc: Abp. Roger Schwietz; Monika Scott
Subject: Assessment/OBOB 2016-17

Dear Fathers Tom & Scott,

“Evidently, Watson, I make myself perfectly obscure” ...

Good morning, and quick follow-up from the Presbyteral Convocation,... I understand that during this year's meeting there was some conversation about the chosen language “depicting how” the annual assessment & OBOB are computed:

- Understanding we had from Presbyteral Convocation (Last Year 2015) original meetings was:
 - Assessment % is fully intended to stay the same year-to-year (e.g. same prior year Assessment % using net less standard deduction from “lagging” prior data);
 - OBOB % similarly fully intended to stay the same year-to-year (e.g. same prior year OBOB % using net “lagging” prior data);
 - Archbishop cannot, of course, “be restricted” (per universal canon law) from changing those %’s should it become necessary and if doing so in accord with the requisite canonical consultations et al;
 - It is, however, NOT the intention of the Archbishop to change the %’s, but rather intention to live within that % revenue stream;
- So, for the upcoming year, 2016/17, **“nothing %-wise is changed”**:
 - Assessment % remains at the same — e.g. the individual parish (if subject to assessment after deduction/s) & aggregate remain at the 16.6% and
 - OBOB % remains the same in the aggregate at 11% — albeit individual parishes % will, of course, necessarily move up/down, after any “pastoral exceptions” are approved by the Archbishop upon the recommendation of the College of Consultors.

Bottomline:

- If we are on the same page, then at the next Executive Team it w/b a simple matter of clarifying any/all language. (Had run it by priest but seemingly neither one of us read it with the same apparent confusion); and
- If I missed the understanding in the first place, we can similarly figure out what missed.

Thank you very much!

Blessings,
// Les

Leslie T. Maiman, Jr., D.Min.
Chief Operating Officer/Chancellor
Archdiocese of Anchorage
907-297-7702