REPORT OF THE AD HOC WORKING GROUP ON PROPOSED REVISIONS TO THE UNIFORM PARISH BY LAWS (UPBL) OF THE DIOCESE OF THE SOUTH OF THE ORTHODOX CHURCH IN AMERICA

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Purpose of This Report

The Uniform Parish By Laws (UPBL) of the Diocese of the South (DOS) of the Orthodox Church in America (OCA) have served this Diocese well for the past quarter-century since their first adoption in 1981. The passage of time has revealed, however, certain latent ambiguities and uncertainties in the existing text of the UPBL, particularly respecting matters of administration and management of the Parishes in the DOS. Moreover, The experience of the Diocese in connection with civil litigation centering in part on the hierarchical and conciliar ecclesiology of the OCA has served to underscore the fact that the existing text of the UPBL does not communicate with total precision and clarity the nature of our Orthodox ecclesiology in terms which lend themselves to easy and accurate application in the hands of judges in secular courts.

The purpose of this Report is to place before the 2009 DOS Diocesan Assembly in Atlanta certain proposed revisions to the UPBL which are intended to rectify the matters noted above and to cause a revised UPBL to more accurately and precisely reflect relevant aspects of our Orthodox Faith and to bring our By Laws in-line with the existing reality of DOS and OCA practice and belief.

Preface

The current version of the Uniform Parish By Laws (UPBL) of the Diocese of the South of the Orthodox Church in America were first adopted, on the initiative of (then) Bishop Dmitri, by action of the Fourth Annual Diocesan Assembly of the Diocese convened in Tarpon Springs, Florida, during the period 19-22 August 1981. In the intervening decades those By Laws have proven their enduring utility and the value of their provisions in a myriad of contexts and they continue even to this day to perform yeomanlike work in the day to day administration and governance of the parishes of the Diocese of the South (DOS) . Like all human instruments, however, the UPBL have demonstrated over the years certain gaps and ambiguities in their terms and provisions, most of which have been of a minor character but some of which have served as the predicate for substantial difficulties, particularly from the legal perspective, in the internal operation of our parishes and their relationship to the Diocese, and through it, to the Orthodox Church in America.

These anomalies have appeared in three principal contexts:

1. A certain lack of precision and definition in the terms of the UPBL, particularly with regard to the relationship of the parish to the Diocese, has lent itself to the designs of those who, over the course of the history of the Diocese, would separate and divide diocesan institutions (including monasteries and parishes) from the DOS and from the OCA;

2. The absence of specific terminology, particularly with reference to the disposition of parish property in the unlikely event of dissolution, has created lingering concerns regarding the qualification of DOS parishes for tax exempt status under § 501(c)3 of the Internal Revenue Code, a matter of intense interest to those responsible for the day-to-day management of business and "secular" activities of DOS parishes as well

as to those whose interests center on long-term, deferred gift-giving and financial planning for both our parishes and our parishioners.

3. The implementation of the provisions of the UPBL over the past quarter-century has served to underscore the absence from that instrument of certain useful but, in all candor, less than urgent provisions touching on parish governance, including questions respecting term limits for parish officers and members of our parish councils; the service of "clerical" family members in these capacities; and in other respects.

Shortly after the successful conclusion of litigation regarding the status of Atlanta's St. Mary of Egypt Orthodox Church and its relationship to the Diocese of the South and the Orthodox Church in America, brought to a close by the definitive decision of the Georgia Court of Appeals in St. Mary of Egypt Orthodox Church v. Townsend,[1] Archbishop Dmitri tasked an informal and ad hoc Working Group, under the leadership of Archpriest Dimitri Cozby, to review and assess the existing terms of the Uniform Parish By Laws of the Diocese with a view toward strengthening the UPBL in its provisions touching on the relationship of the Diocese and its parishes and ensuring that these provisions accurately reflected the hierarchical and conciliar ecclesiology of our Orthodox faith. Over the course of its efforts since that time, this Working Group has expanded the scope of its activity to address other needful and necessary revisions to the UPBL.

The result of the labors of this Working Group are presented to this 2009 Diocesan Assembly for its review, consideration, and appropriate action, this in the recognition and full knowledge that the final disposition of any revisions to the UPBL must ultimately rest in the hands of our ruling hierarch.

The Civil Law Predicate: "Deference to Hierarchy" as a Rule of Secular American Law

Almost a century and a half ago, the United States Supreme Court found it necessary to devise a working rule of law whereby American secular courts could , consistent with principles of American religious freedom emanating from the Free Exercise and Disestablishment Clauses of the First Amendment to the U.S. Constitution, intervene in an appropriately limited fashion in the resolution of church property disputes. That rule of law – sometimes referred to as the "religious immunity principle," but more often going under the nomer of the "deference to hierarchy" rule – remains even today a key element in the legal regime within which religious organizations exist and function in modern American society.

[1] 243 Ga. App. 188 (2000). An application for review of this decision by writ of certiorari was denied by the Georgia Supreme Court on September 8, 2000, bring the litigation to its final end.

By its seminal decision in *Watson v. Jones*,[2] handed down in 1871, the federal Supreme Court easily reached the principle that secular courts could, without constitutional offense, enforce both express and implied terms of trust imposed by grantors on gifts and donations to religious organizations. Similarly, the Court was comfortable with the idea that, where the religious body in question was of a congregational nature, civil courts could without constitutional error use secular power to enforce church-related decisions made by a majority the religious body in question. That left open for resolution the question of whether secular authority could be marshaled in support of decisions made by and in" connectional" or "hierarchical" religious bodies, "... the case of property acquired in any of the usual modes for the general use of a religious congregation which is itself part of a large and general organization of some religious denomination, with which it is more or less intimately connected by religious views and ecclesiastical government." [3]

In such a situation , no trust terms were available to guide the decision of the civil court and, moreover, the control of the local religious community was not vested in a simple majority vote: " . . . in cases of this character," the Supreme Court noted, "we are bound to look at the fact that the local congregation is itself but a member of a much larger and more important religious organization, and is under its government and control, and is bound by its orders and judgments."[4]

> In this class of cases we think the rule of action which should govern the civil courts, founded in a broad and sound view of the relations of church and state under our system of laws, and supported by a preponderating weight of judicial authority is that, *whenever the questions of discipline, or of faith, or ecclesiastical rule, custom, or law have been decided by the highest of these church judicatories to which the matter has been carried, the legal tribunals must accept such decisions as final, and as binding on them, in their application to the case before them*.[5]

The Supreme Court quickly noted that the rule in English courts was at a variance with that which it adopted in *Watson*. In the English courts, the court observed, civil judges regarded it as their right and duty to decide intricate and complicated questions of theology and church discipline, this in discharge of their duty to root out heresy and deviance from the principles of the established

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[2] Watson v. Jones, 80 U.S. 679 (1871). This landmark decision was played out against the background of an internal dispute in a Presbyterian congregation in Louisville, Kentucky, in the years following the end of the Civil War. The details of this dispute and its resolution are riveting but not necessary to explore in this context.

[3] *Watson v. Jones*, 726.

[4] *Watson v. Jones*, 726-727.

[5] *Watson v. Jones*, 727 (Emphasis added).

church.[6] American courts, on the other hand, had declined to follow English practice in this respect[7] and the state courts, particularly, had contributed to an emerging common law in this field since, under the law prevailing at the time, they were not subject to the limitations or restrictions of the First Amendment to the federal constitution.[8] Because of the divergence in the political principles

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[6] The court illustrated the prevailing English practice by reference to the decisions in Attorney-General v. Pearson, 3 Merivale 353 (36 Eng. Rep. 135 [1817]), in Craigdallie v. Aikman, 2 Bligh, 529 (3 Eng. Rep. 601 [1813]), and in Galbraith v. Smith, 15 Shaw, 808, noting that in some instances reticence by lower courts in the United Kingdom to rule on dogmatic issues had been criticized by the higher courts. *See Watson v. Jones*, 727-728.

[7] American courts had not been unanimous in their rejection of the traditional English judicial intervention into religious matters, and the early state case reports are replete with instances where American judges took the opportunity to pass upon intricate issues of theological and dogmatic significance. In 1837, for instance, a New Jersey chancery court undertook to nullify an act of union between the General Synod of the Associate Reformed Church and the General Assembly of the Presbyterian Church adopted in 1822, ruling it invalid based solely upon the court's construction of the constitution of the Associate Reform Church. See Trustees of the Associate Reformed Church v. Trustees of the Theological Seminary, 4 N.J. Eq. 77 (1837). The court construed that instrument to deny any authority to the General Synod of that church to do any act or to make any form of regulation which interfered with the established order of the church. Ibid, at 96-97. Secular court disposition of purely religious issues appeared once again in the New Jersey courts in 1868 in the New Jersey Supreme Court decision handed down in Lynd v. Menzies, 33 N.J.L. 162 (1868). There, the rector of an Episcopal parish in Newark had been locked out of his church and its associated school by the wardens of the parish. In decreeing the right of the rector to be restored to the possession of his church edifice, the New Jersey court made explicit reference to, and purported to construe and apply, the canon law of the Protestant Episcopal Church and English ecclesiastical law as well. Ibid, 168-169. The *Lynd* court engaged in a discussion of the nature of the property interest of a rector in the use of his parish facilities, citing decisions of the Court of Queens Bench relevant to this subject as well as a number of English cases and textbooks on English ecclesiastical law, the New Jersey court clearly feeling no restraint in a wholesale and direct application of religious law and doctrine where this was deemed relevant to the resolution of an issue pending in a New Jersey secular court.

[8] The First Amendment to the Constitution of the United States provides in its terms that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof ... ." By its very terms, the Amendment has no application to the states of the American Union. However, the Supreme Court of the United States, in its 1940 decision in Cantwell v. Connecticut, 310 U.S .296, determined that the guarantees of the Fourteenth Amendment, including freedom from the deprivation of liberty without due process of law, applicable only to the states, incorporated the freedoms made certain by the First Amendment. During that long period from the adoption of the First Amendment in 1791 until the application of that Amendment to the states by the *Cantwell* decision in 1940, religious liberty in the United

regarding religious freedom in the United States and in England where "there did not exist that full, entire, and practical freedom for all forms of religious belief and practice which lies at the foundation of our [American] political principles,"[9] American courts could not, the court noted, follow the English rule:

> In this country the full and free right to entertain any religious belief, to practice any religious principle, and to teach any religious doctrine which does not violate the laws of morality and property, and which does not infringe personal rights, is conceded to all. The law knows no heresy, and is committed to the support of no dogma, the establishment of no sect.[10]

In the United States, the court noted:

> [T]he right to organize voluntary religious groups and to participate in them subject to self-rules of ecclesiastical government is unquestioned. All who unite themselves to such a body do so with an implied consent to this government, and are bound to submit to it. But it would be a vain consent and would lead to the total subversion of such religious bodies, if anyone aggrieved by one of their decisions could appeal to the secular courts and have them reversed. It is of the essence of these religious unions, and of their right to establish tribunals for the decision of questions arising among themselves, that those decisions should be binding in all cases of ecclesiastical cognizance, subject only to such appeals as the organism itself provides for.[11]

And, indeed, the court could, by easy reference to a burgeoning body of case precedent rendered up by generations of American judges in the state courts of the nation since the Revolution, establish the broad parameters of the doctrine –about to be formalized in *Watson*– that secular courts in the American Republic would defer to, and *never* displace (as was the wont of the English courts) ecclesiastical judgments and rulings pronounced by properly constituted church judicatories.

States was largely a matter of state constitutional, statutory, and common law. When the Supreme Court came in 1871 to rule in the *Watson v. Jones* case, then, it was acutely aware that the strictures of the First Amendment had no application to the actions of the Kentucky court then under review.

[9] *Watson v. Jones*, 728.

[10] Ibid.

[11] *Watson v. Jones*, 728-729.

Decisional and Statutory Tradition: The Orthodox Church in America as a Hierarchical Polity

The "deference to hierarchy" principle of *Watson v. Jones*, limiting civil court involvement in religious property disputes and compelling the enforcement of hierarchical governance in churches with a hierarchical polity, has had a checkered but very long history in American courts since 1871, the year in which the Supreme Court decided this seminal case. As of midsummer 2009, something in the range of 750 reported decisions of American appellate tribunals have considered the *Watson* rule of deference, and these have been handed down in a myriad of factual contexts. While the application of the rule has been less than strictly uniform across the United States,[12] certain broad patterns have formed in the almost century and a half of judicial experience with the application of the rule. basically, and consistent with the original tenor of the 1871 decision, churches demonstrating ascending levels of juridical authority, typically where local church decisions are subject to reversal or modification by an intermediate reviewing body which is itself generally bound by rulings of a yet higher (and usually final) church body had been determined to be "hierarchical" within the meaning of *Watson* with the result that civil courts will not intervene to displace the last ruling of a church body to have ruled on a contentious issue. Under this standard, many mainstream American Protestant denominations have been held "hierarchical" within the meaning of *Watson*, including the Presbyterians, the Methodists, and of recent notoriety, the Episcopalians.

Orthodox jurisdictions, too, have been almost universally held by secular American courts to be characterized as "hierarchical" within the meaning of the *Watson* test, such rulings specifically addressing a wide range of churches including the Greek Orthodox Archdiocese,[13] the American Carpatho-Russian Orthodox Diocese,[14] the American-Bulgarian Eastern Orthodox Diocese of Akron,

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[12] It should be remembered that while the 1871 *Watson* test had its origins in a federal court decision, that decision – under the peculiar circumstances of *Watson v. Jones* – was a construction of state common law (in *Watson*, that of Kentucky), not federal principles. Subsequently the federal courts have maintained the fundamental view that states are free to devise their own rules as to the limits of civil court intervention in church property disputes with the consequence that, in truth, there are *fifty* variations on the principles under discussion here, no two of which are identical.

[13] See most recently from the Court of Appeals of Texas, Greanias v. Metropolitan Isaiah, 2006 WL 1550009.

[14] The American Carpatho-Russian Orthodox Greek Catholic Diocese of the USA v. The Church Board of St. Michael's Orthodox-Greek Catholic Church of Clymer, 749 A.2d 1003 (2000).

Ohio,[15] the Antiochian Self-Ruling Archdiocese,[16] the Serbian Orthodox Church,[17] and others including, of course, the Russian Orthodox Greek Catholic Church in America,[18] the pre-autocephaly predecessor of our own Orthodox Church in America.

Under the authorities noted above, establishing the conciliar and hierarchical relationship of an Orthodox parish to its diocese and national church is, while not without attendant difficulties, on the whole relatively simple to accomplish. Aside from rare cases where the fact of membership in a hierarchical jurisdiction was a question, few American appellate courts have had difficulty in applying the *Watson* deference principle in these circumstances:

> The issue of whether the local church is a part of a hierarchical church organization is a proper matter for determination by the appropriate court, and the utilization of a broad spectrum of factual matters demonstrating the local church's participation in the affairs of the national church and an adherence to the national church's prescribed procedure before the dispute arose is the proper method of determining the local church's affiliation with the national church.[19]

Different sorts of legal challenges to the hierarchical relationship of a parish to its Diocese are presented, however, when the forum court elects to apply under local law the so-called *"Neutral Principles"* test in the resolution of a church property dispute involving the parish, a diocese, and/or a national-level church body. Under this standard, it is appropriate for the trial court to consider in the assessment of any claim to an interest in the local parish property or its subjection to superior hierarchical authority, "neutral" sources of evidence of that relationship,

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[15] Aglikin v. Kovacheff, 516 N.E. 2d 704 (1987) (decided under the neutral principles standard).

[16] Metropolitan Philip v. Steiger, 82 Cal. App. 4th 923, 98 Cal. Rptr. 2d 605 (2000) (decided under the neutral principles standard).

[17] Serbian Eastern Orthodox Diocese v. Milivojevich, 426 US 696 (1976). *See also*, Vukovich v. Radulovich, 235 Cal. App. 3d 281 (1991). For a discussion of the implied trust over parish property in favor of the Diocese in Orthodox jurisdictions, *see* St. Sava Mission Corporation v. Serbian Eastern Orthodox Diocese for the United States of America and Canada, 233 Cal. App. 3d 1354 (1990).

[18] Kedroff v. St. Nicholas Cathedral of Russian Orthodox Church in North America, 344 US 94 (1952).

[19] Saints Cyril and Methodius Orthodox Church v. Rev. Vladimir Ivanov, 1985 WL 10974 (Ohio App. 9 Dist.), at p. 4, finding that the parish, a constituent member of the Orthodox Church in America, had never previously been a member of the Bulgarian Orthodox Church, as a consequence of which it was not subject to the hierarchical control of the Bulgarian Orthodox Church within the sense of the *Watson* deference rule at the time it affiliated with the OCA.

including state statutes, corporate charters, relevant deeds, and the organizational constitutions of the religious body. Understandably, such a standard could be more demanding in an evidentiary sense than would be the analogous evidentiary burden under the *Watson* deference rule. Nonetheless, secular courts have frequently sustained the existence of diocesan and national church trust interests over local congregation property and the existence of a hierarchical relationship, even when the trial court applied the more demanding standard of neutral principles.

A particularly pertinent example of this result under the neutral principles rule was the result achieved by the Georgia Court of Appeals in its 2000 decision in St. Mary of Egypt Orthodox Church v. Townsend, the only appellate opinion from any American court which has, as of this date, directly and unambiguously construed the terms and provisions of the Uniform Parish By Laws of the Diocese of the South, of the Orthodox Church in America. There, even under the heightened requirements of neutral principles, the Georgia court sustained the UPBL of our Diocese. Reviewing "neutral principles" as they appeared in that case, the court noted:

> It follows that, under the [national] statute of the OCA, the uniform parish bylaws [of the Diocese of the South] , and the bylaws and corporate documents of St. Mary's, control of the parish property is placed in the parish corporation, but control of the parish corporation is in its turn placed in the Diocesan authority and under the jurisdiction of the archbishop. ... [T]here is no question that the members of the local parish are conferred with property rights to the parish property, but they also "voluntarily subject themselves to hierarchical church authority." .. Similarly, even though ownership of the parish property is vested in the parish corporation of St. Mary's, that corporation by its governing documents, most explicitly by its articles of incorporation, has voluntarily subjected itself to the "hierarchical church authority" of the OCA.[20]

With the lessons of the Atlanta litigation still fresh in mind, the delegates to the 13th All-American Council, gathered at Orlando in 2002, moved to take measures at its fourth Plenary Session on July 23, 2002, to ensure the clear and unambiguous nature of the conciliar and hierarchical relationship of OCA parishes to their Dioceses and to the national church, adopting a Resolution, entitled "Property Held in Trust," making crystal clear the existence of a trust interest on the part of the Diocese in local parish real and personal property. That Resolution deserves careful consideration here:

> WHEREAS, the 13th All-American Council has considered the need to amend Article X, Section 9 of the Statute of the Orthodox Church in America; and
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> WHEREAS, the Council believes sound reasons for amendment exist because civil courts have not given full effect to the trust relationship between local

[20] St. Mary of Egypt Orthodox Church, Inc., v. Townsend, 243 Ga. App. 188, at p. 194.

parishes and the Church that is inherent in the Statute with respect to parish property; and

WHEREAS, the Council believes it necessary to express itself on an interim basis in order that interested parties can know how the Church and this Council regard the trust relationship that is inherent in Article X, Section 9;

NOW, THEREFORE, it is, by the 13th All-American Council of the Orthodox Church in America, hereby resolved as follows:

... All parish property, assets and funds are and shall be owned and held by the parish or parish corporation in trust for the uses, purposes, and benefit of the Diocese of the Orthodox Church in America in which the parish is located. This provision shall not limit the power and authority of the parish or parish corporation with respect to such property, assets, and funds so long as the parish or parish corporation remains part of the Orthodox Church in America, and is subject to its faith, discipline, and its Statute. In the event the Diocese shall cease to be affiliated with the Orthodox Church in America or otherwise cease to exist all such parish property, assets and funds are and shall be owned and held by the parish or parish corporation in trust for the uses, purposes, and benefit of the Orthodox Church in America, or such other Dioceses as the Orthodox Church in America shall designate. This provision does not reflect a departure from prior practice, and sets forth in explicit terms a trust relationship that has been implicit in existing relationships within the Orthodox Church in America, its predecessor entities, and its dioceses and parishes.[21]

This Working Group submits that the objectives of clarity and certainty of the 13th All-American Council in the adoption of this Resolution would be equally served by action of this Diocesan Assembly of the Diocese of the South in adopting the UPBL modifications and revisions which are proposed by this Report.

[21] See <http://www.oca.org/PDF/13thAAC/minutes/plenarysessions.pdf>.

Linear Review of Proposed Revised Uniform Parish By Laws

Attached to this Report as Annex 1 are the Proposed Revised Uniform Parish By Laws as promulgated by the informal Ad Hoc Working Group designated by our hierarch for this purpose. Proposed modifications to the existing (1981) version of the By Laws are indicated in bold type.

For the sake of clarity and explanation these modifications are reviewed briefly here. Since the majority of the proposed revisions address the hierarchical and conciliar relationship of the parish to the Diocese and the Orthodox Church in America, these are considered here as a group; other modifications not intended to impact issues of ecclesiology or church polity are considered separately in the Revised Uniform Parish By Laws.

Part I: Revisions Affirming and Clarifying the Hierarchical Relationship of the Parish to the Diocese and to the OCA:

The Working Group submits that the following proposed modifications reflect and implement the Holy Tradition of our Church; the present understanding and practice of Parishes within the DOS; implicit and explicit provisions of the existing UPBL; requirements and provisions of the Statute of the Orthodox Church in America; and binding resolutions taken from time to time at All-American Councils of the OCA.

Preamble
"These By-laws are issue for the governance of the parishes and local congregations ..."
"The Orthodox Church in general and the Orthodox Church in America in particular are hierarchical in structure."
"Exceptions to any provision in these by laws may be made only by express written permission of the Diocesan bishop."

Article IV (The Parish Meeting), Section 5
"No Parish Meeting, either annual or Special, shall take any action which is contrary to or not in accord with these By-laws or to the Statute of the Orthodox Church in America. Should there be any such conflict, the By-laws or the Statute shall prevail. Should there be a question whether an action of a Parish Meeting is valid or lawful under these By-laws or the Statute of the Orthodox Church in America, the issue shall be submitted to the Diocesan Bishop, and his ruling shall be final."

Article IV (The Parish Meeting), Section 10
"No decision or resolution of a Parish Meeting, either annual or Special, is valid or effective or otherwise in force until it is submitted to and approved by the Diocesan Bishop."

Article V (The Rector or Priest-in-Charge)
"In fulfilling his duties, the Rector or priest-in-charge shall in all things obey and submit to the

directives of the Diocesan Bishop, for as Saint Ignatius of Antioch enjoins, "Do nothing without the Bishop."

Article VI (The Parish Council), Section 10
"The Parish Council shall take no action which is contrary to these By-laws or to the Statute of the Orthodox Church in America. Should there be such conflict, the By-laws or the Statute shall prevail. Should there be a question of whether an action of the Parish Council is valid or lawful under these By-laws or the Statute, the issue shall be submitted to the Diocesan Bishop, and his ruling shall be final."

Article VII (The Parish Corporation and Its Real and Liquid Property), Section 2
"... which it holds in trust for the Diocese."
"Any assets not otherwise disposed of shall become the property of the Diocese of the South."
"In the event of the Parish's dissolution, the Parish Council shall dispose of the Parish's property, provided that:

(a) In accord with Article IX, Section 9 of the Statute of the Orthodox Church in America, all liturgical and ritual items shall be surrendered to the Diocesan Bishop or such person as he shall designate; ..."

Part II: Revisions Relating to Technical Requirements of §501(c)3 of the Internal Revenue Code

The Working Group recommends that the following modification be adopted so as to bring the provisions of the DOS UPBL into closer alignment with the explicit and implicit requirements of §501(c)3 of the Internal Revenue Code. Compliance with that code section is, of course, essential to the maintenance of tax exempt status of the local Parish corporation.

Article VII (The Parish Corporation and Its Real and Liquid Property), Section 1
"The Parish shall be incorporated as a non-profit corporation under the laws of the State in which it is located. Its articles of incorporation shall explicitly state:

(a) That the Parish is a parish congregation of the Diocese of the South of the Orthodox Church in America;

(b) That the Parish's purpose is to engage in religious, educational, and charitable activities;

(c) That these Bylaws and the Statute of the Orthodox Church in America are binding on the parish corporation in all cases and situations whatsoever;

(d) That the Parish may make distributions of funds to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code of 1954 or the corresponding provisions of any future United States Internal Revenue law;

(e) That no part of the net earnings of the Parish shall inure to the benefit of or be distributed to its members, trustees, officers, or other private persons, except as reasonable compensation for services rendered and to make payments and distributions in furtherance of the corporation's religious, educational, and charitable purposes;

(f) That the Parish shall not carry on any activities not permitted to be carried on by a

corporation exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue Law.

The Parish Council shall act as the board of trustees, or its equivalent, of the civil corporation."

Article VII (The Parish Corporation and Its Real and Liquid Property), Section 2
(c) All Parish assets shall go only to organizations organized and operated exclusively for charitable, educational, or religious purposes and which qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue law;
(d) No assets shall inure to the benefit of or be distributed to its members, trustees, officers, or other private persons, except as reasonable compensation for services rendered.

Part III: Miscellaneous Revisions Relating to Various Aspects of Parish Administration and Management

The Working Group recognizes that the 1981 UPBL have been largely successful in providing a practical, realistic and fundamentally workable framework for the day today administration and management of the Parishes of the DOS. At the same time, the Working Group is conscious of certain anomalies and ambiguities which have arisen in the application and implementation of the UPBL provisions over the past quarter-century. Some of these are addressed by the following proposed modifications to the existing UPBL.

Article III (Membership) Section 3
"Any person desiring to enter the Holy Orthodox Church and membership in the parish who is not baptized and chrismated or otherwise canonically received shall present himself to the rector or priest-in-charge to be instructed and received in accord with the Tradition and practice of the Holy Orthodox Church and the directives of the Diocesan Bishop."

Article IV (The Parish Meeting), Section 5
"(b) ... the auditing committee, and...)
"(d)... and the transfer of any interest in or change of ownership and the incurring of indebtedness or otherwise encumbering Parish funds or property;..."

Article IV (The Parish Meeting), Section 6
"... and the Special Meeting must be held within one month of the presentation of the petition and the confirmation that it has the proper number of signatures."

Article V (The Rector or Priest-in-Charge)
"The Diocesan Bishop may ordain for or appoint to the Parish priests, deacons, and lower clergy to assist the rector or priest-in-charge, according to the needs of the Parish. Such clergy shall perform their duties at the direction of the rector or priest-in-charge and shall defer to him in all matters

affecting the life and spiritual health of the Parish. They may receive from the Parish such compensation as shall he determined by the parish council, the priest-in-charge, and the district dean."

Article VI (The Parish Council), Section 1
"... nominated... and confirmed by the Diocesan Bishop."

Article VI (The Parish Council), Section 2
"... Each year..."

Article VI (The Parish Council), Section 3
"... unless the Parish employs a system of staggered terms as authorized below.

If the needs of the Parish warrant, the annual Parish Meeting may vote to divide the Parish Council into two or three classes with staggered terms. In this case Council members shall serve terms of two or three years as appropriate, depending on the number of classes. The membership of each class shall be as equal in numbers as possible. At the first election under this system, the annual Parish Meeting shall elect a full Parish Council. After their confirmation by the Bishop, at their first meeting, the members shall divide themselves into classes by drawing lots, the first group to serve for only one year, the second to serve for two years, and, if there are to be three classes, a third group shall serve for three years. At each annual Parish Meeting thereafter the terms of one class shall expire, and those elected that year shall serve for a full term. Officers shall be elected by the Parish Council annually and shall hold that office for one year, as provided in Section 2."

Article VI (The Parish Council), Section 4
"A Council member who has served two consecutive terms may not be elected to a third consecutive term. He becomes eligible again, however, after he has been off the Council for one year."
"... who is a member of the Masonic lodge, the Rosicrucians, or any similar secret or esoteric society;..."
"... priests and deacons..."
"Deacons and priests other than the rector or Priest-in-charge assigned or attached to the Parish may sit as non-voting members of the Parish Council at the discretion of the rector or Priest-in-charge."

Article VI (The Parish Council), Section 6
"... the Statute of the Orthodox Church in America..."

Article VI (The Parish Council), Section 7
"Duties of Officers. The duties of the officers of the Parish Council shall be as follows:

(a) The Warden presides at meetings of the Council in the absence of the rector or priest-in-charge or at any other time by mutual agreement. He shall aid the priest in preparing the agenda for Council meetings. He is to be ex-officio **member** of such committees as the priest and / or the Council may appoint."

Article VI (The Parish Council), Section 10
"If the rector or the priest-in-charge is not present at a meeting, all decisions taken at that meeting

must be submitted to him for confirmation before they become effective."

Article VII (The Parish Corporation and Its Real and Liquid Property), Section 2
"(b) The Parish Council shall pay or make provision for the payment of all of the liabilities of the Parish;..."

Article XI (Parish Organizations), Section 1
"Section 1. Service organizations such as sisterhoods, brotherhoods, youth groups, etc., may be established in the Parish according to the interest and desire of the members, with the approval and blessing of the rector or priest-in-charge. Such organizations shall exist solely to promote the health, growth, spiritual well-being, and good order of the parish. Membership in such organizations may be open to persons who are not members of the parish or communicants of the Orthodox Church, but their officers must be communicant members of the Parish. The rector or priest-in-charge shall be spiritual director of all parish organizations. The Parish Council or annual Parish meeting may enact such other resolutions for the direction of organizations as may be deemed necessary for the welfare of the Parish."

Article XI (Parish Organizations), Section 2
"Section 2. All organizations which use the Parish's name or which use its facilities on a regular basis shall submit a financial report to the annual Parish Meeting. This provision shall apply to the local chapters of national Church-affiliated organizations but not to local secular associations, or local chapters or troops of non-Orthodox service organizations, such as neighborhood associations, Alcoholics Anonymous, or the Boy or Girl Scouts."

Part IV: Miscellaneous Modifications and Revisions to the Existing UPBL of a Typographical or Clerical Nature

The Working Group proposes the revision and modification of the existing UPBL in a number of minor, clerical, or typographical respects. Such revisions and modifications are useful in clarifying the intent and purpose of the provisions of the UPBL and will enhance the ability of the UPBL to communicate their underlying intent and purpose.

Preamble
"Hereafter, the words 'the Parish' shall refer to said individual local congregations and parishes."
"Twelve"

Article II (The Purpose of the Parish), Section 1
"... of the Orthodox Church in America;..."

Article III (Membership), Section 2
"... business..."

Article VI (The Parish Council), Section 10
"The Statute of the Orthodox Church in America,...