

# Greek Orthodox Archdiocese of America

Financial Statements  
Years Ended December 31, 2020 and 2019

# **Greek Orthodox Archdiocese of America**

---

Financial Statements  
Years Ended December 31, 2020 and 2019

# Greek Orthodox Archdiocese of America

## Contents

---

Independent Auditor's Report	3-4
<b>Financial Statements</b>	
Statements of Financial Position as of December 31, 2020 and 2019	5
Statement of Activities for the Year Ended December 31, 2020	6
Statement of Activities for the Year Ended December 31, 2019	7
Statements of Cash Flows for the Years Ended December 31, 2020 and 2019	8
Notes to Financial Statements	9-35



## Independent Auditor's Report

To His Eminence Archbishop Elpidophoros of America  
and the Members of the Archdiocesan Council  
The Greek Orthodox Archdiocese of America  
New York, New York

### *Opinion*

We have audited the financial statements of the Greek Orthodox Archdiocese of America (the Archdiocese), which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Archdiocese as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Archdiocese and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Archdiocese's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.



### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Archdiocese's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Archdiocese's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO USA, LLP

May 20, 2021

# Greek Orthodox Archdiocese of America

## Statements of Financial Position

<i>December 31,</i>	2020	2019
<b>Assets</b>		
Cash and cash equivalents	\$ 4,868,047	\$ 3,022,580
Accounts receivable, net	73,707	136,821
Contributions receivable	1,200,764	120,571
Total commitment receivable	2,183,437	936,819
Investments, at fair value	12,258,674	11,237,187
Inventory, net	384,053	434,128
Due from St. Nicholas Greek Orthodox Church and National Shrine	2,963,896	2,963,896
Due from other related entities	172,579	83,042
Other receivables and other assets	445,715	641,183
Fixed assets, net	5,009,333	5,250,590
Beneficial interest in split-interest trusts	662,803	618,831
Investments held for others	3,375,376	2,930,675
<b>Total Assets</b>	<b>\$ 33,598,384</b>	<b>\$ 28,376,323</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 631,165	\$ 954,836
Deferred revenue	180,720	126,362
Total commitment sharing payable	853,203	773,476
Grants payable	212,500	-
Due to other related entity	-	38,056
Long-term debt, net	5,108,399	5,102,912
Other postretirement benefits obligations	2,377,563	2,407,169
Liability for funds held for others	3,375,376	2,930,675
<b>Total Liabilities</b>	<b>12,738,926</b>	<b>12,333,486</b>
<b>Commitments and Contingencies</b>		
<b>Net Assets</b>		
Without donor restrictions	4,263,119	1,291,570
With donor restrictions	16,596,339	14,751,267
<b>Total Net Assets</b>	<b>20,859,458</b>	<b>16,042,837</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 33,598,384</b>	<b>\$ 28,376,323</b>

*See accompanying notes to financial statements.*

# Greek Orthodox Archdiocese of America

## Statement of Activities

*Year ended December 31, 2020*

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues and Other Support</b>			
Total commitment	\$ 22,047,356	\$ -	\$ 22,047,356
Contributions and grants	489,373	5,897,807	6,387,180
In-kind contributions	30,346	-	30,346
Leadership 100 grants	-	1,275,758	1,275,758
Clergy-Laity Congress:	-	-	-
Contributions	-	(124,964)	(124,964)
Program revenue	89,925	-	89,925
Program revenue	680,607	-	680,607
Investment income, net	61,822	1,208,921	1,270,743
Change in fair value of beneficial interest in split-interest trusts	-	43,972	43,972
Insurance proceeds	122,697	-	122,697
Other income	369,621	-	369,621
Net assets released from restrictions	6,456,422	(6,456,422)	-
<b>Total Revenues and Other Support</b>	<b>30,348,169</b>	<b>1,845,072</b>	<b>32,193,241</b>
<b>Expenses</b>			
Program services:			
Education (including grants to Hellenic College of \$4,638,000)	7,203,619	-	7,203,619
Metropolis Ministries	7,158,887	-	7,158,887
Orthodoxy in the World (including grants to Ecumenical Patriarchate of \$1,533,000)	2,592,579	-	2,592,579
Communications	1,493,712	-	1,493,712
Community	2,548,985	-	2,548,985
Clergy-Laity Congress	88,149	-	88,149
COVID-19 Relief	1,089,397	-	1,089,397
Other Disaster Relief	50,000	-	50,000
<b>Total Program Services</b>	<b>22,225,328</b>	<b>-</b>	<b>22,225,328</b>
Supporting services:			
General and administrative	7,515,872	-	7,515,872
<b>Total Supporting Services</b>	<b>7,515,872</b>	<b>-</b>	<b>7,515,872</b>
<b>Total Expenses</b>	<b>29,741,200</b>	<b>-</b>	<b>29,741,200</b>
Changes in Net Assets, before government grant	606,969	1,845,072	2,452,041
<b>Government Grant, Net</b>	<b>2,364,580</b>	<b>-</b>	<b>2,364,580</b>
<b>Changes in Net Assets</b>	<b>2,971,549</b>	<b>1,845,072</b>	<b>4,816,621</b>
<b>Net Assets, beginning of year</b>	<b>1,291,570</b>	<b>14,751,267</b>	<b>16,042,837</b>
<b>Net Assets, end of year</b>	<b>\$ 4,263,119</b>	<b>\$ 16,596,339</b>	<b>\$ 20,859,458</b>

*See accompanying notes to financial statements.*

# Greek Orthodox Archdiocese of America

## Statement of Activities

*Year ended December 31, 2019*

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues and Other Support</b>			
Total commitment	\$ 22,335,894	\$ -	\$ 22,335,894
Contributions and grants	319,194	3,002,578	3,321,772
In-kind contributions	330,581	-	330,581
Leadership 100 grants	-	789,100	789,100
FAITH grants	-	111,000	111,000
Clergy-Laity Congress contributions	-	125,000	125,000
Enthronement and luncheon contributions, net of benefit to donor costs of \$405,293	-	540,639	540,639
Program revenue	2,907,065	-	2,907,065
Investment income, net	48,156	1,621,516	1,669,672
Change in fair value of beneficial interest in split-interest trusts	-	78,206	78,206
Insurance proceeds	1,485,276	-	1,485,276
Other income	154,759	-	154,759
Net assets released from restrictions	3,287,641	(3,287,641)	-
<b>Total Revenues and Other Support</b>	<b>30,868,566</b>	<b>2,980,398</b>	<b>33,848,964</b>
<b>Expenses</b>			
Program services:			
Education (including grants to Hellenic College of \$1,800,000)	7,137,139	-	7,137,139
Metropolis Ministries	6,886,636	-	6,886,636
Orthodoxy in the World (including grants to Ecumenical Patriarchate of \$1,259,000)	2,366,077	-	2,366,077
Communications	1,910,073	-	1,910,073
Community	2,297,601	-	2,297,601
St. Nicholas Greek Orthodox Church and National Shrine (St. Nicholas)	105,127	-	105,127
Enthronement:			
Contributions to St. Nicholas	260,313	-	260,313
Expenses	484,379	-	484,379
Clergy-Laity Congress	1,359	-	1,359
Other Disaster Relief	126,000	-	126,000
<b>Total Program Services</b>	<b>21,574,704</b>	<b>-</b>	<b>21,574,704</b>
Supporting services:			
General and administrative	7,000,105	-	7,000,105
<b>Total Supporting Services</b>	<b>7,000,105</b>	<b>-</b>	<b>7,000,105</b>
<b>Total Expenses</b>	<b>28,574,809</b>	<b>-</b>	<b>28,574,809</b>
<b>Changes in Net Assets</b>	<b>2,293,757</b>	<b>2,980,398</b>	<b>5,274,155</b>
<b>Net (Deficit) Assets, beginning of year</b>	<b>(1,002,187)</b>	<b>11,770,869</b>	<b>10,768,682</b>
<b>Net Assets, end of year</b>	<b>\$ 1,291,570</b>	<b>\$ 14,751,267</b>	<b>\$ 16,042,837</b>

*See accompanying notes to financial statements.*



# Greek Orthodox Archdiocese of America

## Statements of Cash Flows

<i>Year ended December 31,</i>	2020	2019
<b>Cash Flows from Operating Activities</b>		
Changes in net assets	\$ 4,816,621	\$ 5,274,155
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	275,414	248,546
Amortization of financing costs	43,378	58,704
Net change in fair value of investments	(1,031,221)	(1,481,506)
Other income (gain on sale of fixed assets)	(168,098)	-
Change in fair value of beneficial interest in split-interest trusts	(43,972)	(78,206)
Changes in assets and liabilities:		
Accounts receivable	63,114	(46,690)
Contributions receivable	(1,080,193)	(26,709)
Inventory, net	50,075	183,734
Due from St. Nicholas Greek Orthodox Church and National Shrine	-	(115,146)
Due from other related entities	(89,537)	34,654
Other receivables and other assets	195,468	(539,056)
Total commitment receivable and sharing payable, net	(1,166,891)	(248,699)
Accounts payable and accrued expenses	(323,671)	(665,522)
Deferred revenue	54,358	24,128
Grants payable	212,500	-
Due to other related entities	(38,056)	(17,207)
Pension and other accrued postretirement benefits obligations	(29,606)	270,954
<b>Net Cash Provided by Operating Activities</b>	<b>1,739,683</b>	<b>2,876,134</b>
<b>Cash Flows from Investing Activities</b>		
Purchases of investments	(14,671,033)	(10,177,799)
Proceeds from sales of investments	14,680,767	9,862,300
Purchases of fixed assets, net	(116,157)	(101,473)
Net proceeds from sale of fixed assets	250,098	-
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>143,675</b>	<b>(416,972)</b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from loans	150,000	-
Payments on loans	(187,891)	(2,180,591)
<b>Net Cash Used in Financing Activities</b>	<b>(37,891)</b>	<b>(2,180,591)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>1,845,467</b>	<b>278,571</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>3,022,580</b>	<b>2,744,009</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>\$ 4,868,047</b>	<b>\$ 3,022,580</b>
<b>Additional Cash Flow Information</b>		
Interest paid	\$ 223,027	\$ 260,889

*See accompanying notes to financial statements.*

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

### 1. Organization and Nature of Activities

The Greek Orthodox Archdiocese of America (the Archdiocese) is the administrative body of the Greek Orthodox Church in America (the Church). The Archdiocese relies primarily on funding from its parishes located throughout the United States.

The Archdiocese is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and similar state and local provisions. Therefore, no provision for income taxes has been made in the accompanying financial statements. In addition, the Archdiocese has been determined not to be a private foundation within the meaning of Section 509(a) of the IRC.

The Archdiocese is related to a number of other entities by virtue of its charter with the Ecumenical Patriarchate, and by certain common board membership. The accompanying financial statements do not include the financial position, changes in net assets and cash flows of the following affiliated organizations:

- Holy Metropolises of Atlanta, Boston, Chicago, Denver, Detroit, New Jersey, Pittsburgh and San Francisco and the Direct Archdiocesan District (combined, these are referred to as the Metropolis)
- Hellenic College, Inc.
- Greek Orthodox Archdiocesan Cathedral of the Holy Trinity
- Saint Basil Academy
- Greek Orthodox Ladies Philoptochos Society, Inc.
- St. Michael's Home, Inc.
- Order of Saint Andrew the Apostle/Archons of the Ecumenical Patriarchate
- Archdiocesan Presbyters Council
- The Archbishop Iakovos Leadership 100 Endowment Fund, Inc. (Leadership 100)
- St. Nicholas Greek Orthodox Church and National Shrine (St. Nicholas)
- Friends of St. Nicholas, Inc.
- St. Photios Greek Orthodox National Shrine
- National Sisterhood of Presvyteres
- National Forum of Greek Orthodox Musicians
- Greek Orthodox Military and Institutional Chaplains
- Retired Clergy Association

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

### *Program Services*

The total commitment received from parishes and the grants and contributions from donors enable the Archdiocese to operate various programs, primarily in the following areas:

*Education* - The Archdiocese promotes and supports programs that enhance religious and Greek education, youth and young adult ministries and the summer camp experience at its Ionian Village in Greece. Religious education includes the production of content in an array of themes related to the Church and its ministry. Greek education supports the production of resources for Greek schools and families around the country. The youth and young adult ministries are focused on helping the younger members of the Church to feel spiritually connected to the Church through various programs, such as Sunday school, development of camp curricula, educational online video series and youth retreats at parishes throughout the Archdiocese. The Ionian Village summer camp brings together American high school students abroad for an exciting religious, cultural and educational experience with peers. Youth retreat programs are also run by the Ionian Village during other times of the year. Direct grants to Hellenic College are also included in this program and are further discussed in Note 13.

*Metropolis Ministries* - A portion of the total commitment supports each Metropolis by funding certain Metropolis clergy and administrative staff salaries and benefits, insurance and other expenses of the Metropolis. The Archdiocese allocated to the Metropolis \$2,364,580 of the government grant received during 2020, which was deemed Total Commitment collections by the Metropolis in the calculation of the support to each Metropolis.

*Orthodoxy in the World* - In conjunction with the Ecumenical Patriarchate, the Archdiocese, through its relevant departments and personnel, maintains and coordinates relationships with other Orthodox jurisdictions in America, Christian denominations and inter-Christian organizations, other faiths and interfaith groups and global affairs, especially the United Nations. Expenses include department personnel costs and metropolitan travel to synods at the Ecumenical Patriarchate and special events. Direct grants to the Ecumenical Patriarchate are also included in this program and are further discussed in Note 13.

*Communications* - The Archdiocese maintains resources that promote communication of current events within the Archdiocese. The communications office issues press releases and special announcements, produces and broadcasts special events, and monitors and oversees all social media activities. The Internet Ministries department ensures that current, accurate and relevant materials are circulated online. The Internet Ministries department also maintains the websites of the Archdiocese, the Ecumenical Patriarchate and a number of organizations or groups related to the Church. Services, such as website maintenance, bulletin builder and live-streaming may be provided for a fee to parishes within and outside the jurisdiction of the Archdiocese.

*Community* - The Archdiocese's community activities comprise a wide-range of functions and departments, including registry, public relations, archives, philanthropy, family care and ministry and the promotion of and assistance in the use of the uniform parish software. Registry documents sacramental records (baptism, marriage, divorce, death, etc.) of individuals within the Archdiocese. The public relations department promotes the presence of the Archdiocese in the public sphere, especially in governmental and global relations, as well as coordinates certain affairs of the Ecumenical Patriarchate. The archives department catalogs the historical record of the Archdiocese and major events of the Church. The philanthropy division provides financial and medical assistance to retired clergy, widowed presbyters and those in severe need. It also maintains scholarship funds

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

offered by donors. The Orthodox parish software is a uniform software for parishes to easily track information, such as family relations, sacraments, donations, etc.

*St. Nicholas Greek Orthodox Church and National Shrine (St. Nicholas)* - In 2013, the Archdiocese commenced a capital campaign on behalf of and for the specific purpose of rebuilding St. Nicholas. Contributions received from this campaign are treated as custodial funds and disbursed for construction and related rebuilding activities. Over the years, the Archdiocese incurred certain costs related to St. Nicholas that were not charged directly to the St. Nicholas rebuilding fund, consisting primarily of fund-raising and personnel costs associated with St. Nicholas.

In October 2018, the Friends of St. Nicholas, Inc. was established for the primary purpose of raising funds for the construction of St. Nicholas and oversight of all construction and maintenance activities. Commencing in April 2019, the construction costs and expenses incurred by St. Nicholas were borne by Friends of St. Nicholas, Inc.

*Enthronement* - In June 2019, His Eminence Archbishop Elpidophoros was enthroned as the Archbishop of the Archdiocese, succeeding His Eminence Archbishop Demetrios who retired in May 2019. The enthronement ceremonies included a luncheon to benefit St. Nicholas. The contributions received and expenses incurred during the enthronement and the luncheon were as follows:

	Enthronement	Luncheon
<b>Contributions</b>		
Contributions from donors	\$ 305,800	\$ 640,132
Contribution from the Archdiocese	-	25,474
<b>Total Contributions</b>	<b>305,800</b>	<b>665,606</b>
<b>Expenses</b>		
Contractors and consultants	22,005	-
Hotel accommodation, travel, venue and related expenses	260,130	12,705
Meals	-	343,322
Printed materials and audio/video production	69,204	49,266
Equipment, materials and supplies	126,163	-
Other expenses	6,877	-
<b>Total Expenses</b>	<b>484,379</b>	<b>405,293</b>
<b>Contribution to Friends of St. Nicholas, Inc.</b>	<b>\$ -</b>	<b>\$ 260,313</b>

The net proceeds of the luncheon and the contribution from the Archdiocese totaled \$260,313. This amount was contributed to Friends of St. Nicholas, Inc. as presented in the accompanying statement of activities for the year ended December 31, 2019. Additional contributions of \$2,500 were received during 2020.

*Clergy-Laity Congress* - The Clergy-Laity Congress, the legislative body of the Archdiocese, is convened biennially and presided over by the Archbishop. It is concerned with all matters, other than doctrinal or canonical, affecting the life, growth and unity of the Church, the institutions, finances, administration, and educational and philanthropic concerns. The annual total commitment revenue goal for the Archdiocese is determined during the Clergy-Laity Congress. The delegates to the Clergy-Laity Congress are pastors and elected lay representatives.

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

The 2020 Clergy-Laity Congress, which was originally planned to be hosted by the Metropolis of Pittsburgh in Cleveland, Ohio, was held virtually due to the pandemic-related restrictions. As a result, certain contributions previously received were refunded to donors, including amounts received in 2019, which totaled approximately \$125,000.

The revenue and expenses of the 2020 virtual Clergy-Laity Congress were as follows:

---

<b>Revenue</b>		
Registration fees	\$	89,925
<hr/>		
<b>Expenses</b> , comprised of expenses directly incurred by the Archdiocese		
Professional fees and other outside services (transcription)		24,439
Technology and communication costs		51,079
Merchant and bank fees		7,033
Other expenses		5,598
<hr/>		
<b>Total Expenses</b>		88,149
<hr/>		
<b>Excess of Revenue and Other Support Over Expenses (Net Event Revenue)</b>	\$	1,776

---

*Disaster Relief* - The Archdiocese participates in relief efforts in the event of major fire, global conflicts and natural disasters, primarily through solicitation of contributions from parishioners and other donors and distribution of aid to those in need of assistance in the affected areas.

*COVID-19 Relief* - During 2020, the Archdiocese launched a COVID-19 relief program to provide support to various families and individuals who needed financial assistance because of the loss of income and other needs arising from the pandemic. Financial assistance provided totaled \$633,283, which was funded through restricted contributions and grants. In addition, the Archdiocese established a Parish Initiative relief program to provide grants totaling \$450,000 to parishes through the Metropolises. Of this amount, \$237,500 has been paid and the balance of \$212,500 is recorded as grant payable at December 31, 2020. This program was also funded through a restricted grant.

## 2. Summary of Significant Accounting Policies

### *Basis of Presentation*

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) using the accrual basis of accounting.

### *Classifications of Net Assets*

The classification of a not-for-profit organization's net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of two classes of net assets—with donor restrictions and without donor restrictions—be displayed in a statement of financial position and that the amount of change in each of those classes of net assets be displayed in a statement of activities.

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

These classes are defined as follows:

*Without Donor Restrictions* - This class consists of net assets that are not subject to donor-imposed stipulations and that may be expended for any purpose in performing the primary objectives of the Archdiocese. Included within net assets without donor restrictions is a board-designated fund, the Cathedral Fund that was designated by Archbishop Iakovos, to be used, upon approval, for the benefit of the Greek Orthodox Archdiocesan Cathedral of the Holy Trinity and Cathedral related projects. As of December 31, 2020 and 2019, the Cathedral Fund had balances of \$435,388 and \$1,026,790, respectively, which are included in investments in the accompanying statements of financial position.

*With Donor Restrictions* - This class consists of net assets resulting from contributions and other inflows of assets whose use by the Archdiocese is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled and removed by the actions of the Archdiocese pursuant to those stipulations. When such stipulations end or are fulfilled, such net assets are reclassified to net assets without donor restrictions and reported as net assets released from restrictions in the statements of activities.

Net assets with donor restrictions also include net assets resulting from contributions whereby the principal has been stipulated by the donor to be held and invested in perpetuity and the income used in accordance with the donor's stipulations, if any.

### *Cash and Cash Equivalents*

For the purposes of the statements of cash flows, the Archdiocese considers all highly liquid instruments purchased with a maturity of three months or less, to be cash equivalents, except for those cash equivalents that are included in the Archdiocese's investment portfolio which are held for long-term purposes.

### *Investments, at Fair Value*

Investments in money market funds, mutual funds and equity securities are reported at fair value based on published unit values or quoted market prices in active markets as of the reporting date. Investments in debt securities are measured using quoted market prices where available. If quoted market prices for debt securities are not available, the fair value is determined using an income approach valuation technique that considers, among other things, rates currently observed in publicly traded markets for debt with similar terms to companies with comparable credit risk, the issuer's credit spread, and illiquidity by sector and maturity. All investments are managed by outside investment advisors subject to the review, approval, and control by the Archdiocese. Such valuations involve assumptions and methods that are reviewed by the Archdiocese.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are determined based on average cost and are recorded in the statements of activities in the period in which the securities are sold. Dividends and interest are recognized as earned. Contributed investments are valued at their fair market value on the date received.

Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

and such changes could materially affect the amounts reported in the accompanying financial statements.

### *Fair Value Measurements*

Professional standards establish a framework for measuring fair value and expand the disclosures about fair value measurements. U.S. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in a principal or most advantageous market. Fair value is a market-based measurement that is determined based on inputs, which refer broadly to assumptions that market participants use in pricing assets or liabilities. These inputs can be readily observable, market corroborated, or unobservable. U.S. GAAP established a fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value in three broad levels. The standard requires that assets and liabilities be classified in their entirety based on the level of input that is significant to the fair value measurement. Assessing the significance of a particular input may require judgment considering factors specific to the asset or liability and may affect the valuation of the asset or liability and their placement within the fair value hierarchy. The Archdiocese classifies fair value balances based on the fair value hierarchy defined by U.S. GAAP, as follows:

*Level 1* - This level consists of quoted prices that are available in active markets for identical assets or liabilities as of the measurement date.

*Level 2* - This level consists of pricing inputs other than quoted prices in active markets, which are either directly or indirectly observable as of the measurement date. The nature of these securities includes investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed. Bonds securities are priced by the Archdiocese's custodian using nationally recognized pricing services. Bond securities generally do not trade on a daily basis. For these securities, the pricing services prepare estimates of fair value measurements using their proprietary pricing applications, which include available relevant market information, benchmark curves, benchmarking of similar securities, sector groupings and matrix pricing. These investments are classified as Level 2.

*Level 3* - This level consists of securities that have little to no pricing observability as of the measurement date. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation. Also included in Level 3 are investments measured using a net asset value (NAV) per share, or its equivalent, that can never be redeemed at NAV at the statement of financial position date or in the near term or for which redemption at NAV is uncertain due to lockup periods or other investment restrictions.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Archdiocese. The Archdiocese considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Archdiocese's perceived risk of that instrument.

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

### *Risks and Uncertainties*

The Archdiocese's investments consist of a variety of investment securities and investment funds. Investments in general are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of the Archdiocese's investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

### *Inventory*

Inventory is valued at the lower of cost or market. Such inventory consists primarily of religious books, publications and other program-related literature and materials. The Archdiocese recorded a provision for slow-moving inventory of \$150,000 during 2019, which is presented under education expenses in the accompanying statement of activities for the year ended December 31, 2019. No provision was required for the year ended December 31, 2020. There were no inventory write-offs during 2020 and 2019. As of December 31, 2020 and 2019, the reserve for slow-moving inventory amounted to \$325,000, which is presented as a deduction from inventories in the accompanying statements of financial position.

### *Receivables*

Due to the uncertainty surrounding collection, management provides an allowance for doubtful accounts based on the consideration of the type of receivable, responsible party, the known financial condition of the respective party, historical collection patterns and comparative aging. The allowance is maintained at a level management considers adequate to provide for subsequent adjustments and potential uncollectible accounts. The estimates are reviewed periodically and, if the financial condition of a party changes significantly, management will evaluate the recoverability of any receivables from that organization and write off any amounts that are no longer considered to be recoverable. Any payments subsequently collected on such receivables are recorded as income in the period received. The allowance for doubtful accounts at December 31, 2020 and 2019 amounted to \$38,000.

### *Fixed Assets, Net*

Land, buildings, building improvements and equipment are recorded at cost or, if donated, at fair market value, at the date of the gift, less accumulated depreciation. The Archdiocese maintains a capitalization threshold of \$3,500 for each land, buildings and equipment item with a useful life of more than one year. Depreciation is calculated on a straight-line basis.

The estimated useful lives of the assets are as follows:

---

Building and improvements	40 years
Furniture, fixtures and equipment	3 to 10 years
Website development cost	5 years
Fine arts	3 years

---



# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

### *Impairment of Fixed Assets*

The Archdiocese reviews fixed assets for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the future cash flows from the use of the asset are less than the carrying amount of that asset. As of December 31, 2020 and 2019, there were no such losses.

### *Due to/from Other Related Entities*

Amounts due to/from other related entities represent amounts owed to and/or expenses paid on behalf of Archdiocesan affiliates. Loans received from related entities are separately presented as loans payable.

### *Beneficial Interest in Split-Interest Trusts Held by Others*

The Archdiocese is the beneficiary of perpetual trusts whereby the donors contributed assets to third-party trustees. The trustees distribute investment income annually to the Archdiocese and the other named beneficiaries in the percentages specified in the trust documents. These distributions are reported as an increase in net assets in the statements of activities based on the existence or absence of donor-imposed restrictions.

The Archdiocese values the trusts at their fair values, which are represented by the percentage ownership of the assets in the trusts. Changes in the fair value of the trusts' assets are reported in the statements of activities within net assets with donor restrictions.

### *Funds Held for Others*

The Archdiocese holds funds, consisting of cash and investments, on behalf of other parties. As these funds can be used or directed by the Archdiocese only in accordance with the other parties' direction, a liability for funds held for others is recorded. The assets and the related liabilities are stated at fair value in the accompanying statements of financial position. Additions, disbursements, investment income (loss) and any unrealized gain or loss on the investments are recognized as increases or decreases in assets and liability and are not reported in the accompanying statements of activities.

### *Total Commitment*

Total commitment represents the annual financial assessment to every parish in the Archdiocese to help support the mission of the Church. The unpaid total commitment at the end of the year is recorded as a receivable, net of an allowance for doubtful accounts, if required.

The total commitment is determined at the biennial Clergy-Laity Congress, which amounted to approximately \$22,660,000 for 2021 and 2020.

### *Contributions and Grants*

The Archdiocese records contributions of cash and other assets when an unconditional promise to give such assets is received from a donor. Contributions are recorded at the fair value of the assets

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

received and are reported as an increase in net assets without donor restrictions unless the use of the related assets is limited by donor-imposed restrictions.

Contributions not expected to be received within one year are recognized as support with donor restrictions and are discounted using a risk-adjusted discount rate assigned in the year the pledge originates.

The Archdiocese reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire assets are reported as with donor restrictions. Absent explicit donor stipulations about how long such assets must be maintained, the Archdiocese reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Donated goods and services used by the Archdiocese are recorded as in-kind contributions at their estimated fair value at the date of receipt. During 2020, the Archdiocese received on a pro bono basis legal services with an estimated value of \$30,346. During 2019, the Archdiocese received on a pro bono basis consulting services and legal services with estimated values totaling \$80,493 and \$250,088, respectively. These amounts are presented in the accompanying statements of activities as in-kind contribution revenue without donor restrictions and in-kind program expenses (see in-kind professional services in Note 3).

On April 16, 2020, the Archdiocese obtained a loan with a principal amount of \$2,487,323 from the Small Business Administration (SBA) pursuant to the provisions of the Paycheck Protection Program under the Coronavirus Aid, Relief and Economic Security Act (the CARES Act) (the PPP Loan). The proceeds of the loan included \$122,743 for two related entities. The loan bears interest at 1% a year and is payable in 24 monthly installments, inclusive of interest, commencing November 16, 2020. All or a portion of the loan may be forgiven under the loan forgiveness provisions of the CARES Act. The Archdiocese utilized all of the PPP loan proceeds on qualifying payroll costs and maintained the required full-time-equivalent employees for loan forgiveness. On October 16, 2020, the Archdiocese applied with the SBA for forgiveness on the loan amount received of \$2,487,323 and it has not made any loan and interest payments as of December 31, 2020. Unaccrued interest is not material.

The Archdiocese has accounted for the loan as a conditional grant and believes that it has met the conditions for revenue recognition. Accordingly, the PPP loan is presented as government grant, net of the portion remitted to the two related entities, on the statement of activities for the year ended December 31, 2020.

The Archdiocese continues to receive contributions from the capital campaign launched in priors on behalf of and for the rebuilding of St. Nicholas. These contributions are accounted for as agency transactions and are remitted to Friends of St. Nicholas, Inc. Any unremitted funds are reported in the statements of financial position as cash held for St. Nicholas with a corresponding liability (see Note 7).

Contributions that are restricted by donors in perpetuity are recorded as permanently restricted within net assets with donor restrictions. The income is used for operating purposes when expenditures satisfy the donors' restrictions and such amounts are appropriated for expenditure by the Archdiocese. Income amounts that exceed related expenditures during a fiscal period remain as net assets with donor restrictions.

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

Investment return on contributions with donor restrictions are recorded in the net assets without donor restrictions class unless the investment return is explicitly restricted by the donor to be used for the same purpose as the contribution.

### *Revenue Recognition*

The Archdiocese adopted Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers (ASC 606)*, on January 1, 2019. The Archdiocese recognizes revenue when control of the promised goods and services is transferred to outside parties in an amount that reflects the consideration that the Archdiocese expects to be entitled to in exchange for goods and those services. ASC 606 also requires new and expanded disclosures regarding revenue recognition to ensure an understanding as to the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The Archdiocese has identified program revenues, which consist of registration fees, exhibit fees, sales of religious books, Greek education books, publications and program-related materials, and advertising as categories subject to the adoption of ASC 606.

Revenue from contracts with customers is comprised of the following:

<i>December 31,</i>	2020	2019
Program revenue:		
Registration fees for Ionian Village summer camp and related programs	\$ 66,154	\$ 1,986,080
Sale of religious books, Greek education books, publications and program-related materials	552,035	778,622
Services and advertising fees	62,418	142,363
	<u>\$ 680,607</u>	<u>\$ 2,907,065</u>
Clergy-Laity Congress program revenue:		
Registration fees	\$ 89,925	\$ -
	<u>\$ 89,925</u>	<u>\$ -</u>

Registration and exhibit fees are recognized as revenue in the period that the events and related programs are held and the performance obligations are met. The Ionian Village summer camp and related programs are held annually. The Clergy-Laity Congress is held every two years.

Revenue from the sales of religious books, Greek education books, publications and program-related materials is recognized at the point of sale. Returns and discounts are minimal and not material; accordingly, these are recognized as reduction from sales at the time the returns or discounts are allowed.

Revenue for services, which consists mainly of hosting and related services by the Archdiocese's Internet Ministries, is recognized during the periods the services are performed. The Orthodox Observer provided advertising space to various businesses and organizations. Fees received are recorded as revenue at the time of publication. The Archdiocese discontinued the publication of the print version of the Orthodox Observer in 2020.

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

### *Functional Allocation of Expenses*

Costs related to the various programs and activities of the Archdiocese have been summarized on a functional basis in the accompanying statements of activities and the schedule of functional expenses in Note 3. These costs can generally be directly identified with the program service to which they relate and are charged accordingly. Indirect expenses have been allocated amongst the programs and supporting services benefited on the basis of the number of employees per department performing more than one function and/or supporting services.

### *Income Taxes*

The Archdiocese follows U.S. GAAP, which requires accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. U.S. GAAP provides that the tax effects from an uncertain tax position can only be recognized in the financial statements if the position is “more-likely-than-not” to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

The Archdiocese is incorporated in the state of New York and is exempt from federal income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the IRC. The Archdiocese has no significant unrelated income associated with its exempt purpose. The Archdiocese has processes presently in place to ensure the maintenance of its tax-exempt status, to identify and report unrelated income, to determine its filing and tax obligations in jurisdictions for which nexus was established, and to identify and evaluate other matters that may be considered tax positions. The Archdiocese has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

### *Recently Adopted Accounting Pronouncements*

#### *Not-for-Profit Entities (Topic 958)*

In June 2018, the Financial Accounting Standards Board (FASB) issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which requires organizations to determine whether a contribution is conditional based on whether an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor’s obligation to transfer assets. If the agreement (or a referenced document) includes both, the recipient is not entitled to the transferred assets (or a future transfer of assets) until it has overcome the barriers in the agreement. This ASU is required to be adopted for the year ended December 31, 2020 and has been implemented for all periods presented. There was no significant impact on the financial statements.

#### *New Accounting Pronouncements Issued but Not Yet Adopted*

#### *Leases (Topic 842)*

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, to increase transparency and comparability among foundations by recognizing lease assets and lease liabilities on the statements of financial position and disclosing key information about leasing arrangements for lessees and

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

lessors. The new standard applies a right-of-use (ROU) model that requires, for all leases with a lease term of more than 12 months, an asset representing its ROU, the underlying asset for the lease term and a liability to make lease payments to be recorded. The FASB issued ASU 2020-05, which deferred the effective date for the Archdiocese until its fiscal year beginning after December 15, 2021, with early adoption permitted. Management believes that this ASU will not have a material impact on its financial statements.

### *Concentration of Credit Risk*

Financial instruments that potentially subject the Archdiocese to concentrations of credit and market risk consist principally of cash and cash equivalents and investments on deposit with financial institutions, which, from time to time, may exceed the Federal Deposit Insurance Corporation limit. These financial institutions have strong credit ratings and management does not believe that a significant risk of loss due to the failure of a financial institution used by the Archdiocese is likely.

### *Use of Estimates*

In preparing financial statements in conformity with U.S GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

### *Reclassifications*

Certain 2019 balances have been reclassified to conform with the 2020 financial presentation.

*The remainder of this page intentionally left blank.*

**Greek Orthodox Archdiocese of America**

**Notes to Financial Statements**

**3. Functional Expenses**

The expenses of the Archdiocese by function and natural expense classification are presented below:

*Year ended December 31, 2020*

Expense	Program Services								Supporting Services		Total Program and Supporting Services	
	Education	Metropolis Ministries	Orthodoxy in the World	Communications	Community	Clergy-Laity Congress	COVID-19 Relief	Other Disaster Relief	Total	General and Administrative		Total
Salaries, wages and benefits (excluding contributions to pension plan)	\$ 1,426,447	\$ 5,188,475	\$ 453,179	\$ 772,504	\$ 1,169,324	\$ -	\$ -	\$ -	\$ 9,009,929	\$ 3,118,505	\$ 3,118,505	\$ 12,128,434
Contributions to pension plan	158,388	327,915	54,018	108,846	151,328	-	-	-	800,495	852,005	852,005	1,652,500
Professional fees and other outside services, excluding in-kind services	183,971	3,105	131,837	323,209	93,606	25,239	-	-	760,967	1,107,934	1,107,93	1,868,901
In-kind professional services	-	-	-	-	-	-	-	-	-	30,346	30,346	30,346
Grants to Ecumenical Patriarchate	-	-	1,533,000	-	-	-	-	-	1,533,000	-	-	1,533,000
Grants to Hellenic College	4,638,000	-	-	-	-	-	-	-	4,638,000	-	-	4,638,000
Scholarships, grants and other contributions and assistance	236,000	-	293,416	-	961,778	-	1,083,283	50,000	2,624,477	197,804	197,804	2,822,281
Transportation, travel, meals and related expenses	92,822	1,072	27,317	8,060	67,989	5,592	-	-	202,852	124,569	124,569	327,421
Facilities expense	274,522	1,002	5,889	12,357	61,247	-	-	-	361,294	522,441	522,441	883,735
Insurance	13,677	747,330	-	-	-	-	-	-	761,007	723,618	723,618	1,484,625
Metropolises share of total commitments	-	753,203	-	-	-	-	-	-	853,203	-	-	853,203
Books, videos and other educational and religious materials	25,071	138	41,089	171,704	4,636	2,500	-	-	245,138	69,247	69,247	314,385
Postage and delivery services	42,302	1,819	2,841	70,424	266	6	236	-	117,894	15,050	15,050	132,944
Dues, fees and subscriptions	15,492	-	32,122	12,936	886	7,033	2,272	-	70,741	50,439	50,439	121,180
Equipment and supplies	57,657	(4,401)	10,390	9,363	31,403	41,502	3,606	-	149,520	355,935	355,935	505,455
Interest	-	-	-	-	-	-	-	-	-	265,717	265,717	265,717
Other expenses	39,270	39,229	7,481	4,309	6,522	-	-	-	96,811	82,262	82,262	179,073
<b>Total Functional Expenses</b>	<b>\$ 7,203,619</b>	<b>\$ 7,158,887</b>	<b>\$ 2,592,579</b>	<b>\$ 1,493,712</b>	<b>\$ 2,548,985</b>	<b>\$ 88,149</b>	<b>\$ 1,089,397</b>	<b>\$ 50,000</b>	<b>\$ 22,225,328</b>	<b>\$ 7,515,872</b>	<b>\$ 7,515,872</b>	<b>\$ 29,741,200</b>

Greek Orthodox Archdiocese of America

Notes to Financial Statements

Year ended December 31, 2019

Expense	Program Services										Supporting Services		Total Program and Supporting Services	
	Education	Metropolis Ministries	Orthodoxy in the World	Communications	Community	St. Nicholas Greek Orthodox Church and National Shrine (St. Nicholas)	Enthronement: Contribution to St. Nicholas	Enthronement: Expenses	Clergy-Laity Congress	Other Disaster Relief	Total	General and Administrative		Total
Salaries, wages and benefits (excluding contributions to pension plan)	\$ 1,636,295	\$ 5,112,493	\$ 419,304	\$ 1,017,624	\$ 1,490,222	\$ 95,005	\$ -	\$ -	\$ -	\$ -	\$ 9,770,943	\$ 2,428,459	\$ 2,428,459	\$ 12,199,402
Contributions to pension plan	181,335	311,155	51,184	130,567	182,603	-	-	-	-	-	856,844	761,519	761,519	1,618,363
Professional fees and other outside services, excluding in-kind services	299,342	-	162,851	87,932	108,701	-	-	22,005	-	-	680,831	1,289,493	1,289,493	1,970,324
In-kind professional services	-	-	-	-	-	-	-	-	-	-	-	330,581	330,581	330,581
Grants to Ecumenical Patriarchate	-	-	1,259,000	-	-	-	-	-	-	-	1,259,000	-	-	1,259,000
Grants to Hellenic College	1,800,000	-	-	-	-	-	-	-	-	-	1,800,000	-	-	1,800,000
Contribution to St. Nicholas	-	-	-	-	-	-	260,313	-	-	-	260,313	-	-	260,313
Scholarships, grants and other contributions and assistance	578,365	30	193,718	-	348,864	-	-	-	-	126,000	1,246,977	238,541	238,541	1,485,518
Transportation, travel, meals and related expenses	1,459,454	282	138,898	4,838	98,595	5,683	-	616,157	1,048	-	2,324,955	297,888	297,888	2,622,843
Facilities expense	320,407	1,756	6,078	15,064	41,846	47	-	1,153	-	-	386,351	559,051	559,051	945,402
Insurance	4,853	647,243	-	-	-	-	-	-	-	-	652,096	333,467	333,467	985,563
Metropolises share of total commitments	-	773,476	-	-	-	-	-	-	-	-	773,476	-	-	773,476
Books, videos and other educational and religious materials	478,352	-	90,993	311,722	2,410	-	-	118,470	-	-	1,001,947	1,282	1,282	1,003,229
Postage and delivery services	63,359	2,670	1,133	312,792	2,394	615	-	749	214	-	383,926	25,385	25,385	409,311
Dues, fees and subscriptions	48,674	1,542	28,651	12,118	1,086	-	-	990	97	-	93,158	66,071	66,071	159,229
Equipment and supplies	176,755	5,079	8,643	8,678	12,487	58	-	126,163	-	-	337,863	301,822	301,822	639,685
Interest	-	-	-	-	-	-	-	-	-	-	-	309,889	309,889	309,889
Other expenses	89,948	30,910	5,624	8,738	8,393	3,719	-	3,985	-	-	151,317	56,657	56,657	207,974
<b>Total Functional Expenses</b>	<b>7,137,139</b>	<b>6,886,636</b>	<b>2,366,077</b>	<b>1,910,073</b>	<b>2,297,601</b>	<b>105,127</b>	<b>260,313</b>	<b>889,672</b>	<b>1,359</b>	<b>126,000</b>	<b>21,979,997</b>	<b>7,000,105</b>	<b>7,000,105</b>	<b>28,980,102</b>
Less benefit to donor costs deducted from enthronement and luncheon contributions	-	-	-	-	-	-	-	(405,293)	-	-	(405,293)	-	-	(405,293)
<b>Total Functional Expenses, as presented in statement of activities</b>	<b>\$ 7,137,139</b>	<b>\$ 6,886,636</b>	<b>\$ 2,366,077</b>	<b>\$ 1,910,073</b>	<b>\$ 2,297,601</b>	<b>\$ 105,127</b>	<b>\$ 260,313</b>	<b>\$ 484,379</b>	<b>\$ 1,359</b>	<b>\$ 126,000</b>	<b>\$ 21,574,704</b>	<b>\$ 7,000,105</b>	<b>\$ 7,000,105</b>	<b>\$ 28,574,809</b>

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

### 4. Liquidity and Available Resources

The following reflects the Archdiocese's financial assets as of December 31, 2020 and 2019, reduced by amounts not available for general use because of contractual or donor-imposed restrictions. Amounts not available include amounts set aside for long-term investing in the board-designated fund (see Note 2) that could be drawn upon if the governing body of the Archdiocese approves that action.

<i>December 31,</i>	2020	2019
Financial assets*	\$ 21,030,344	\$ 16,095,161
Less amounts unavailable for general expenditures in the following year:		
Contractual or donor-imposed restrictions:		
Restricted by donors with purpose restrictions	(13,429,589)	(11,882,312)
Required by donors to be held in perpetuity**	(2,503,946)	(2,250,124)
Board-designated for the Cathedral Fund:		
Balance, end of year	(435,388)	(1,026,790)
Amount appropriated in the following year	-	600,000
<b>Amount Unavailable in the Following Year</b>	<b>(435,388)</b>	<b>(426,790)</b>
<b>Financial Assets Available to Meet Cash Needs for General Expenditures in the Following Year</b>	<b>\$ 4,661,421</b>	<b>\$ 1,535,935</b>

\* Financial assets are total assets less a) inventory, net, b) due from St. Nicholas Greek Orthodox Church and National Shrine, c) due from other related entities, d) fixed assets, net, e) beneficial interest in split-interest trusts, and f) investments held for others.

\*\* Excludes beneficial interest in split-interest arrangements.

The Archdiocese is substantially supported by its parishes throughout the United States. It also derives revenues from ministries, registries and sales of books, materials and other publications. In addition, the Archdiocese receives donor contributions with or without donor restrictions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Archdiocese must maintain sufficient resources to meet those responsibilities to its donors.

The Archdiocese continues to put in place policies and procedures to ensure that the cost control measures implemented in recent years are maintained. As a result, the Archdiocese's liquidity continues to improve, enabling it to undertake financial commitments in addition to meeting its general expenditures, liabilities and other obligations as they became due. The Archdiocese's financial goals through its budgetary processes include establishing a fund that may be drawn upon in the event of financial need or an immediate liquidity need. Additional liquidity is also available through its unused line of credit (see Note 8).

The proceeds received under the government loan programs (see Note 8) contributed substantially to the increase in financial assets available to meet cash needs for general expenditures in the following year.



# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

### 5. Investments, at Fair Value

Investments, by fair value hierarchy, consisted of the following:

*December 31, 2020*

	Level 1	Level 2	Level 3	Total
Money market funds	\$ 3,051,263	\$ -	\$ -	\$ 3,051,263
Common stock	2,915,278	-	-	2,915,278
Mutual funds	4,270,472	-	-	4,270,472
Corporate bonds	-	72,637	-	72,637
Municipal bonds	-	1,861,950	-	1,861,950
Fixed-income annuity	-	-	87,074	87,074
	<b>\$ 10,237,013</b>	<b>\$ 1,934,587</b>	<b>\$ 87,074</b>	<b>\$ 12,258,674</b>

*December 31, 2019*

	Level 1	Level 2	Level 3	Total
Money market funds	\$ 2,223,531	\$ -	\$ -	\$ 2,223,531
Treasury bills	338,522	-	-	338,522
Common stock	3,610,312	-	-	3,610,312
Mutual funds	2,503,097	-	-	2,503,097
Corporate bonds	-	317,027	-	317,027
Municipal bonds	-	2,158,475	-	2,158,475
Fixed-income annuity	-	-	86,223	86,223
	<b>\$ 8,675,462</b>	<b>\$ 2,475,502</b>	<b>\$ 86,223</b>	<b>\$ 11,237,187</b>

The following table summarizes the changes in the Archdiocese's Level 3 investments:

<i>December 31,</i>	2020	2019
Balance, beginning of year	\$ 86,223	\$ 84,911
Net appreciation in fair value of investments	851	1,312
<b>Balance, end of year</b>	<b>\$ 87,074</b>	<b>\$ 86,223</b>

The Archdiocese had no financial assets or financial liabilities that were measured at fair value on a non-recurring basis during the years ended December 31, 2020 and 2019. There were no transfers between levels during the years ended December 31, 2020 and 2019.

Investment income consisted of the following:

<i>December 31,</i>	2020	2019
Interest and dividends, net	\$ 239,522	\$ 188,166
Net appreciation in fair value of investments	1,031,221	1,481,506
	<b>\$ 1,270,743</b>	<b>\$ 1,669,672</b>

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

### 6. Fixed Assets, Net

Fixed assets, net, consisted of the following:

<i>December 31,</i>	2020	2019
Land	\$ 349,223	\$ 431,223
Building and improvements	7,570,201	7,507,576
Furniture, fixtures and equipment	784,164	730,632
Fine arts	10,185	10,185
	8,713,773	8,679,616
Less: accumulated depreciation	(3,704,440)	(3,429,026)
	\$ 5,009,333	\$ 5,250,590

Depreciation expense amounted to \$275,414 and \$248,546 for the years ended December 31, 2020 and 2019, respectively.

### 7. Investments Held for Others and Related Liability

Investments held for others, by fair value hierarchy, consisted of the following:

<i>December 31, 2020</i>	Level 1	Level 2	Level 3	Total
Money market funds	\$ 140,922	\$ -	\$ -	\$ 140,922
Treasury bills	439,800	-	-	439,800
Common stock	2,082,866	-	-	2,082,866
Mutual funds	509,866	-	-	509,866
Municipal bonds	-	183,499	-	183,499
	\$ 3,173,454	\$ 183,499	\$ -	3,356,953

Cash held for the account of: St. Nicholas Greek Orthodox Church and National Shrine	10,558
Jordanian Community	7,865

**\$ 3,375,376**

<i>December 31, 2019</i>	Level 1	Level 2	Level 3	Total
Money market funds	\$ 542,473	\$ -	\$ -	\$ 542,473
Treasury bills	99,174	-	-	99,174
Common stock	1,589,247	-	-	1,589,247
Mutual funds	492,851	-	-	492,851
Corporate bonds	-	31,243	-	31,243
Municipal bonds	-	112,744	-	112,744
	\$ 2,723,745	\$ 143,987	\$ -	2,867,732

Cash held for the account of St. Nicholas Greek Orthodox Church and National Shrine	62,943
--	--------

**\$ 2,930,675**

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

The activity in the liability funds held for others is presented in the following tables.

### *December 31, 2020*

	Balance, January 1, 2020	Additions	Net Investment Income	Payments	Balance, December 31, 2020
Archbishop Iakovos Library Trust	\$ 1,195,345	\$ -	\$ 240,075	\$ (109,000)	\$ 1,326,420
St. Basil Spyropoulos Fund	1,163,296	-	369,262	(26)	1,532,532
Spyridon Trust IM	509,091	-	68,910	(80,000)	498,001
St. Nicholas Greek Orthodox Church and National Shrine	62,943	3,989,455	-	(4,041,840)	10,558
St. George Jordanian Community	-	7,865	-	-	7,865
	<b>\$ 2,930,675</b>	<b>\$ 3,997,320</b>	<b>\$ 678,247</b>	<b>\$ 4,230,866</b>	<b>\$ 3,375,376</b>

### *December 31, 2019*

	Balance, January 1, 2019	Additions	Net Investment Income	Payments	Balance, December 31, 2019
Archbishop Iakovos Library Trust	\$ 1,042,469	\$ -	\$ 202,876	\$ (50,000)	\$ 1,195,345
St. Basil Spyropoulos Fund	922,661	83	240,552	-	1,163,296
Spyridon Trust IM	508,637	-	108,870	(108,416)	509,091
St. Nicholas Greek Orthodox Church and National Shrine	75,492	238,745	-	(251,294)	62,943
	<b>\$ 2,549,259</b>	<b>\$ 238,828</b>	<b>\$ 552,298</b>	<b>\$ (409,710)</b>	<b>\$ 2,930,675</b>

The activity in cash held for St. Nicholas consists of contributions that the Archdiocese continues to receive from the capital campaign launched in prior years by the Archdiocese on behalf of and for rebuilding St. Nicholas. These contributions are remitted to Friends of St. Nicholas, Inc.

## 8. Credit Facilities

Long-term debt consisted of the following:

<i>December 31,</i>	2020	2019
Economic Injury Disaster Loan	\$ 150,000	\$ -
Mortgage loan payable, net	4,958,399	5,102,912
	<b>\$ 5,108,399</b>	<b>\$ 5,102,912</b>

### *Economic Injury Disaster Loan*

On November 5, 2020, the Archdiocese obtained a loan with a principal amount of \$150,000 from the Small Business Administration under its COVID-19 Economic Injury Disaster Loan facility (the EID Loan). The EID Loan is payable in monthly in the amount of \$641, covering principal and interest at 2.75% a year, over a period of 30 years commencing 24 months from the date of the promissory note on the loan. The EID Loan is collateralized by substantially all of the Archdiocese's properties now owned or to be owned in the future.

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

### *Mortgage Loan Payable*

On June 28, 2018, the Archdiocese obtained a mortgage loan from a local bank (the Lender) in the amount of \$5.5 million (the Mortgage Loan). The Mortgage Loan bears interest at 4.25% a year and is payable in monthly installments of \$34,243 commencing August 1, 2018 through June 1, 2023. The Mortgage Loan is based on a 20-year amortization period and a lump-sum payment of the loan balance on July 1, 2023 (the Maturity Date), together with any accrued interest. The Maturity Date may be extended to July 1, 2028 at the option of the Archdiocese (the Extension Option). If the Archdiocese exercises the Extension Option, the Archdiocese will make the 60<sup>th</sup> monthly payment of \$34,243 on July 1, 2023. Thereafter, the remaining balance of the Mortgage Loan shall be payable in monthly installments, commencing August 1, 2023, to be determined based on a 15-year amortization period at an interest rate calculated based on the five-year Federal Home Loan Bank of New York (FHLB NY), which in no event shall be lower than 4.25% a year. The balance of the Mortgage Loan on July 1, 2028, together with any accrued interest, shall be due in one lump sum on that date.

Costs incurred in connection with the acquisition of the Mortgage Loan totaled \$212,076 and are being amortized over the term of the Mortgage Loan using the interest method.

The Mortgage Loan and the line of credit described below are collateralized primarily by the properties of the Archdiocese located on 79<sup>th</sup> Street, New York, New York, including improvements thereon and other chattels as defined in the mortgage and security agreement dated June 28, 2018.

The carrying balances of the Mortgage Loan and related unamortized financing costs are as follows:

#### *December 31, 2020*

	Loan Principal	Financing Costs	Net
Balance, January 1, 2020	\$ 5,247,024	\$ (144,112)	\$ 5,102,912
Principal payments	(187,891)	-	(187,891)
Amortization of financing costs	-	43,378	43,378
	<b>\$ 5,059,133</b>	<b>\$ (100,734)</b>	<b>\$ 4,958,399</b>

#### *December 31, 2019*

	Loan Principal	Financing Costs	Net
Balance, January 1, 2019	\$ 5,427,615	\$ (202,816)	\$ 5,224,799
Principal payments	(180,591)	-	(180,591)
Amortization of financing costs	-	58,704	58,704
	<b>\$ 5,247,024</b>	<b>\$ (144,112)</b>	<b>\$ 5,102,912</b>

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

The annual debt service on the Mortgage Loan for the next five years and thereafter are as follows:

Based on the maturity date of July 1, 2023:

*Year ending December 31,*

	Principal	Interest	Total
2021	\$ 196,785	\$ 214,133	\$ 410,918
2022	205,434	205,484	410,918
2023	4,656,914	115,227	4,772,141
	\$ 5,059,133	\$ 534,844	\$ 5,593,977

Based on the optional extended maturity date of July 1, 2028, at an interest rate of 4.25% a year:

*Year ending December 31,*

	Principal	Interest	Total
2021	\$ 196,785	\$ 214,133	\$ 410,918
2022	205,434	205,484	410,918
2023	214,464	196,454	410,918
2024	223,352	187,566	410,918
2025	233,706	177,212	410,918
Thereafter	3,985,392	409,194	4,394,586
	\$ 5,059,133	\$ 1,390,043	\$ 6,449,176

### *Line of Credit*

On June 28, 2018, the Lender of the Mortgage Loan also extended the Archdiocese a variable rate revolving line of credit (LOC) in the amount \$3.0 million. The LOC was renewed in 2019 in the amount of \$5.0 million with a maturity date of January 1, 2021 (the Renewal LOC). There were no loans outstanding under the Renewal LOC at December 31, 2020.

The maturity date of the Renewal LOC was extended and further renewed effective February 1, 2021, to mature on January 1, 2022 (the 2<sup>nd</sup> Renewal LOC). Loans drawn on the 2<sup>nd</sup> Renewal LOC are subject to a variable interest rate based on changes in an independent index, which is the highest published prime rate in the money tables of the Wall Street Journal. The rate is currently at 4.50% a year on a 360-day year. The business loan agreement with the Lender requires that the Archdiocese maintain a debt service coverage ratio of 1.25 that will be tested annually commencing the year ended December 31, 2020. The Archdiocese meets this requirement.

Interest expense on the LOC and mortgage loans, including amortization of financing costs, during 2020 and 2019 totaled \$265,717 and \$309,889, respectively, which are included in general and administrative expenses in the accompanying statements of activities. Accrued interest at December 31, 2020 and 2019 amounted to \$18,515 and \$19,203, respectively, which is included in accounts payable and accrued expenses in the accompanying statements of financial position.

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

### 9. Employee Benefit Plans

#### *Pension Plans*

The Archdiocese sponsors a defined benefit pension plan (Pension Plan) covering substantially all full-time lay employees and clergy. Retirement benefits are based on years of service and the employees' compensation during those years of service. Pension Plan assets are held by third-party investment managers and are invested in various marketable debt, equity and money market accounts. An independent actuary retained by the Archdiocese recommends minimum funding standards. Participants may elect to make contributions in an amount equal to 3.5%, 5.0% or, effective January 1, 2018, 6.5% of earnings in accordance with the rules established by the Archdiocese Benefits Committee.

The Pension Plan is a church plan and is, therefore, exempt from the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. Based on the audited financial statements of the Pension Plan as of December 31, 2019, the Pension Plan's net assets available for benefits approximated \$66,427,000 and the actuarial present value of its accumulated plan benefits approximated \$111,276,000. Due to the nature of the Pension Plan, covering the clergy and lay employees of the Archdiocese, parishes and the institutions of the Archdiocese, it is not practicable to determine the extent to which the assets of the Plan cover the actuarially computed value of accumulated plan benefits vested benefits for the Archdiocese, on a standalone basis. Because the Pension Plan is accounted for as a multi-employer plan, it is only subject to certain minimum reporting requirements. For further information, refer to the audited financial statements of the Pension Plan for the year ended December 31, 2019, the latest date for which audited financial information is available.

Pension expense allocated to the Archdiocese for the years ended December 31, 2020 and 2019 amounted to approximately \$652,500 and \$618,400, respectively, and is allocated among programs and general and administrative expenses in the accompanying statements of activities. During 2020 and 2019, the Archdiocese contributed to the Pension Plan an additional amount of \$1,000,000 each year, which is included in general and administrative expenses in the accompanying statements of activities. There were no amounts due to the Pension Plan as of December 31, 2020 and 2019.

The Archdiocese also sponsors a noncontributory 403(b) defined contribution plan for all employees. For the years ended December 31, 2020 and 2019, there were no employer contributions to the 403(b) defined contribution plan.

#### *Other Retirement Benefits*

The Archdiocese also provides supplemental retirement benefits to certain hierarchs outside of the plan described above. A liability is calculated only for the hierarchs who have made known that they will avail themselves of retirement benefits. As of December 31, 2020 and 2019, the Archdiocese has recorded liabilities of \$2,377,563 and \$2,407,169, respectively, which are presented as other postretirement benefits obligations in the accompanying statements of financial position. Of these amounts, \$368,000 and \$548,761 represent the provisions for 2020 and 2019, respectively, which are included in general and administrative expense in the accompanying statements of activities and schedules of functional expenses in Note 3.

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

### 10. Net Assets with Donor Restrictions

Restricted net assets with donor restrictions consisted of the following:

<i>December 31,</i>	2020	2019
<b>With purpose restrictions:</b>		
Taylor Scholarship Fund	\$ 3,010,918	\$ 2,408,905
Katina Malta Scholarship Fund	1,931,052	1,499,766
Gioles Scholarship Fund	243,941	219,707
James J. Tembelis Scholarship	869,512	708,524
St. John Chrysostom Fund	256,783	87,702
Paleologos Scholarship Fund	1,167,085	848,883
Trakatellis Fellowship Fund	171,102	351,004
Irene Ladas Scholarship for Seminaries	21,900	21,900
Clergy Initiative Project	705,853	1,236,268
Other scholarships and educational programs	2,103,877	1,149,403
Disaster and emergency relief assistance	653,884	662,466
Orthodoxy in the World	534,078	674,998
Community services	1,694,582	1,826,454
Various other programs	65,022	186,332
<b>With Donor Restrictions—Purpose Restricted</b>	<b>13,429,589</b>	<b>11,882,312</b>
<b>Original donor-restricted endowment gift amounts and amounts required to be retained by donors in perpetuity:</b>		
Taylor Scholarship Fund	1,000,000	1,000,000
James J. Tembelis Scholarship Fund*	521,869	519,939
Beneficial interest in George Marinos perpetual trust	413,762	379,353
Beneficial interest in Demetrios Anagnos charitable trust	249,042	239,478
Gioles Scholarship Fund*	262,216	258,991
Trakatellis Fellowship Fund	450,000	203,600
Katina Malta Scholarship Fund*	116,051	113,879
Vlisis Scholarship Fund	39,369	39,402
Paleologos Scholarship Fund*	2,152	2,024
Other scholarships and educational programs	112,289	112,289
<b>With Donor Restrictions—in Perpetuity</b>	<b>3,166,750</b>	<b>2,868,955</b>
<b>Total with Donor Restrictions</b>	<b>\$ 16,596,339</b>	<b>\$ 14,751,267</b>

\* Pursuant to the donor gift instrument, 90% of net income from the fund is to be distributed for individual scholarships and the remaining 10% of the annual net income shall become permanently restricted and added to the corpus of the scholarship fund.

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

### 11. Net Assets Released from Restrictions

Net assets with donor restrictions were released from restrictions by either incurring expenses or satisfying the restricted purpose, as follows:

<i>December 31,</i>	2020	2019
Taylor Scholarship Fund	\$ 110,000	\$ 116,121
Katina Malta Scholarship Fund	48,000	47,000
Gioles Scholarship Fund	13,000	15,000
St. John Chrysostom Fund	-	10,500
Paleologos Scholarship Fund	35,000	35,000
Trakatellis Fellowship Fund	-	5,000
Irene Ladas Scholarship for Seminaries	-	44,350
Other scholarships and educational programs	2,787,807	737,815
Orthodoxy in the World	856,236	690,939
Community services	716,056	334,451
Clergy Initiative Project	531,972	504,465
Clergy-Laity Congress	-	1,359
Disaster relief	50,000	126,000
COVID-19 relief	1,083,283	-
Enthronement	2,500	540,639
Other programs	222,568	79,002
	<b>\$ 6,456,422</b>	<b>\$ 3,287,641</b>

### 12. Endowment

The Archdiocese endowment funds consist of a board-designated fund and donor-restricted funds.

#### *Board-Designated Fund (the Cathedral Fund)*

The Cathedral Fund was designated to be used, upon approval, for the benefit of the Greek Orthodox Archdiocesan Cathedral of the Holy Trinity and Cathedral related projects. The following table summarizes the activity in the Cathedral Fund:

	2020	2019
<b>Balance, beginning of year</b>	<b>\$ 1,026,790</b>	<b>\$ 1,240,791</b>
Investment return:		
Appropriations	(600,000)	(238,416)
Interest and dividends, net	15,513	38,974
Net depreciation in fair value of investments	(6,915)	(14,559)
<b>Balance, end of year</b>	<b>\$ 435,388</b>	<b>\$ 1,026,790</b>

#### *Donor-Restricted Endowment Funds*

The Archdiocese's donor-restricted (gifted) endowment consists of five individuals' funds established for a variety of purposes, principally in support of the Archdiocese's mission. It excludes beneficial interests in split-interest trusts held by others, which are required to be held by third-



# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

party trustees. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

On September 17, 2010, New York state passed the New York State Prudent Management of Institutional Funds Act (NYPMIFA), its version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). All not-for-profit organizations formed in New York must apply this law. The Archdiocese classifies donor-restricted endowment funds as net assets with donor restrictions, unless otherwise stipulated by the donor: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) income accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift.

The remaining portion of the donor-restricted endowment fund not classified as held in perpetuity is classified as net assets with purpose and or time-restriction, until such amounts are appropriated for expenditure by the Archdiocese in a manner consistent with the uses, benefits, purposes and duration for which the endowment is established and the standard of prudence prescribed by NYPMIFA.

In accordance with NYPMIFA, the Archdiocese considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: the purpose, duration, and preservation of the endowment fund; expected total return of investments; general economic conditions; the possible effects of inflation and deflation; other resources of the Archdiocese; and the investment policy of the Archdiocese.

The Archdiocese has adopted investment and spending policies for endowment assets that support the objective of providing a sustainable and increasing level of endowment income distribution to support the Archdiocese's activities while seeking to maintain the purchasing power of the endowment assets. The Archdiocese's primary investment objective is to maximize total return within reasonable and prudent levels of risk while maintaining sufficient liquidity to meet disbursement needs and ensure preservation of capital.

To satisfy its long-term rate-of-return objectives, the Archdiocese relies on a total return strategy, the objective of which is to achieve a return consisting of a combination of current income and capital appreciation, without regard to an emphasis on either, recognizing that changes in market conditions and interest rates will result in varying strategies in an attempt to optimize results. The endowment portfolio is diversified among various net asset classes and strategies to help reduce risk.

*The remainder of this page intentionally left blank.*

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

The following represents a detail of the donor-restricted endowment net asset composition, excluding third-party split-interest trusts:

*December 31, 2020*

	With Purpose Restrictions	To Be Held in Perpetuity	Total
<b>Composition of Endowment Net Assets by Type of Fund</b>			
Donor-restricted endowment funds	\$ 4,640,923	\$ 2,503,946	\$ 7,144,869
<b>Change in Endowment Net Assets</b>			
Endowment Net Assets, beginning of year	\$ 3,877,009	\$ 2,250,124	\$ 6,127,133
Contributions received	-	-	-
Transferred from net assets without restriction	-	61,163	61,163
Transferred from temporarily restricted net assets	-	179,902	179,902
Investment return:			
Interest and dividends, net	72,953	22,957	95,910
Net appreciation (depreciation)	813,961	(10,200)	803,761
Appropriation of endowment assets for expenditure	(123,000)	-	(123,000)
<b>Endowment Net Assets, end of year</b>	<b>\$ 4,640,923</b>	<b>\$ 2,503,946</b>	<b>\$ 7,144,869</b>

*December 31, 2019*

	With Purpose Restrictions	To Be Held in Perpetuity	Total
<b>Composition of Endowment Net Assets by Type of Fund</b>			
Donor-restricted endowment funds	\$ 3,877,009	\$ 2,250,124	\$ 6,127,133
<b>Change in Endowment Net Assets</b>			
Endowment Net Assets, beginning of year	\$ 2,621,858	\$ 2,038,083	\$ 4,659,941
Contributions received	1,279	-	1,279
Transferred from temporarily restricted net assets	-	200,000	200,000
Investment return:			
Interest and dividends, net	58,554	12,666	71,220
Net appreciation (depreciation)	1,326,439	(625)	1,325,814
Appropriation of endowment assets for expenditure	(131,121)	-	(131,121)
<b>Endowment Net Assets, end of year</b>	<b>\$ 3,877,009</b>	<b>\$ 2,250,124</b>	<b>\$ 6,127,133</b>

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

### 13. Related-Party Transactions

#### *Due from (to) Related Entities*

Amounts due from (to) related entities were comprised of the following:

<i>December 31,</i>		2020		2019
Due from St. Nicholas Greek Orthodox Church and National Shrine (a)	\$	2,963,896	\$	2,963,896
Due from other related entities (b)		172,579		83,042
Due to another related entity (b)		-		(38,056)

- (a) Through December 31, 2019, the Archdiocese advanced \$2,963,896 to St. Nicholas Greek Orthodox Church and National Shrine for construction costs (the Construction Advances). Under a governance and operating agreement dated December 19, 2019, the Archdiocese and the Friends of St. Nicholas, Inc. agreed to cooperate in good faith to establish, no sooner than one year and no later than 18 months from the date of the agreement, a mutually agreeable plan and timetable for the repayment of the Construction Advances. Such repayment plan and timetable shall consider the level of success experienced by the Friends of St. Nicholas, Inc. during the one-year period following the date of the agreement in satisfying the funding needs of the construction project.
- (b) The Archdiocese regularly advances the salaries and benefits of certain employees of certain related entities and is reimbursed for such amounts in the following year. Receivables for such advances totaled \$172,579 and \$83,042 at December 31, 2020 and 2019, respectively. One entity had prepaid its salary and benefits reimbursements in prior years, which amounted to \$38,056 at December 31, 2019.

#### *Grants to Related Entities*

The Archdiocese provided grants of \$4,638,000 and \$1,800,000 in 2020 and 2019, respectively, to support the operations of Hellenic College. Such amounts are included as part of education expense in the accompanying statements of activities. The 2020 grants included \$2,388,000 that was funded by a grant from the Republic of Greece. In 2019, the Archdiocesan Council of the Archdiocese passed a resolution to provide a commitment of up to \$3.5 million in financial support to Hellenic College for up to five years beginning with the fiscal year ending June 30, 2021. The financial support is intended to provide assistance in covering operating deficits of Hellenic College and reducing Hellenic College's debt, including endowment fund borrowings.

The Archdiocese provided grants of \$1,533,000 and \$1,259,000 in 2020 and 2019, respectively, to support the operations of the Ecumenical Patriarchate. Such amounts are included as part of Orthodoxy in the World expense in the accompanying statements of activities.

#### *Contributions from Related Entities*

The Archdiocese received \$1,275,758 and \$789,100 of grants from Leadership 100 during 2020 and 2019, respectively. During 2019, the Archdiocese also received a grant of \$111,000 from FAITH. Such grants were recorded as increases to net assets with donor restrictions to benefit specific programs of the Archdiocese as stipulated by the governing boards of the respective affiliates.

Additionally, certain contributions received by the Archdiocese are from members of management and the Archdiocesan Council.

# Greek Orthodox Archdiocese of America

## Notes to Financial Statements

---

### 14. Contingencies

The Archdiocese, in the normal course of its operations, is a party to various legal proceedings and complaints, some of which are covered by insurance. Certain of these legal proceedings are in their early stages and the availability of insurance is yet to be confirmed so that the potential impact of these claims or contingencies on the Archdiocese's financial position, changes in net assets or cash flows cannot be determined.

In March 2020, the World Health Organization declared the outbreak of novel coronavirus disease (COVID-19) as a pandemic. The Archdiocese has adjusted many aspects of its operations and activities to protect its parishioners, employees, vendors and the public in general, as well as comply with applicable governmental regulations of the localities wherein its parishes and offices are situated. It continues to monitor the situation closely and it is possible that it will implement further measures in the future. In light of the uncertainty as to the severity and duration of the pandemic, the impact on the Archdiocese's financial position and changes in its net assets and cash flows is uncertain at this time.

### 15. Subsequent Events

The Archdiocese has performed subsequent events procedures through May 20, 2021, which is the date the financial statements were available to be issued. There were no subsequent events requiring adjustment to, or disclosures to, the financial statements, except as follows:

#### *Second Paycheck Protection Program Loan*

On January 29, 2021, the Archdiocese obtained a loan with a principal amount of \$1,998,000 from the Small Business Administration pursuant to the provisions of the Paycheck Protection Program under the Economic Aid to Hard-Hit Small Businesses, Nonprofits and Venues Act (the Economic Aid Act). The loan bears interest at 1% a year, matures 60 months from the date of the loan and is payable in installment, together with interest, in accordance with the provisions of the Economic Aid Act (the Act). Under the Act, the loan may be forgiven based on meeting certain spending and work force head count requirements.

#### *Renewal of Line of Credit*

As described in Note 8 the line of credit was further renewed on February 1, 2021 to mature on January 1, 2022.

#### *Loan Guaranty*

On April 1, 2021, the Archdiocese entered into a guaranty agreement (the Guaranty) with The Hellenic Eastern Orthodox Church of New York, also known as The Greek Orthodox Archdiocesan Cathedral of the Holy Trinity (the Cathedral or Borrower), and a local bank in conjunction with a \$1,750,000 loan being made to the Cathedral as the Archdiocese holds title to the Cathedral's property. The Guaranty terminates when all of the Borrower's Obligations under the applicable loan security agreements have been satisfied.