



# **Metropolis of Atlanta Presidents Meeting Clergy Initiative Update**

*Annunciation Greek Orthodox Cathedral Atlanta, GA*

*March 10, 2018*

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*On Behalf of The Center for Family Care*

*A Ministry of the Greek Orthodox Archdiocese of America*



# Why Lilly Endowment Cares About Economic Challenges Facing Pastoral Leaders

**National Initiative**  
to **Address Economic Challenges Facing Pastoral Leaders**

## Lilly Endowment

Is an Indianapolis based, private philanthropic foundation

Created in 1937 by 3 members of the Lilly family  
J.K. Lilly Sr. and sons  
J.K. Jr. and Eli

Through gifts of stock in their pharmaceutical business, Eli Lilly and Company



Largest foundation that supports religion in the United States with a 7.7 billion \$ net worth



## Why Lilly Endowment Cares About Economic Challenges Facing Pastoral Leaders

- ❖ Financial burdens carried by pastoral leaders are significant barriers to effective, faithful and fruitful ministry
- ❖ Personal financial literacy contributes to healthier and stronger pastoral leadership
- ❖ Clergy who are capable of providing excellent financial and managerial leadership can make invaluable contributions to the health and vitality of ministry in the parishes they serve
- ❖ Flourishing local congregations, with capable financial and managerial leadership from clergy and laity alike, can better fund ministries that share and participate in the generosity of God for all creation

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## **In November 2016 the Greek Orthodox Archdiocese was Awarded \$1,000,000 Over 3 Years to be Used for the Following:**

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- ❖ Launch educational programs to increase clergy financial literacy and management skills
- ❖ Educate parish leadership about key economic challenges of pastoral leaders and actions they can take to address them
- ❖ Provide initial seed funding for a Ministerial Excellence Fund to make grants to priests to reduce their financial challenges



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# Goals of the Program

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- ❖ Improve the financial literacy and management skills of Clergy through educational programs and grants
- ❖ Increase Clergy's ability to provide capable fiscal leadership for the parishes and ministries under their care
- ❖ Educate lay leadership on the uniqueness of the Clergy family and the special challenges they face

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# The Surveys

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## Four Clergy Surveys

- ❖ Danielson Institute *Trauma, Relational Spirituality, and Resilience: A Study of Greek Orthodox Priests and Presvyteres* N= 209, (Presvyteres N=113, Priests N=96)
- ❖ Two from the Metropolis of Atlanta Strategic Plan Clergy Task Force
  - ❖ Goals 2.1 Clergy Development Program N = 62 or 59% of all Clergy and Deacons
  - ❖ Goal 2.3 Clergy Evaluation Program N= 64 or 71% of all Clergy
- ❖ Danielson Institute Center for Family Care Clergy Initiative Survey



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## 4. Center for Family Care Survey Details

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- ❖ The survey was conducted by the Danielson Institute at Boston University (185 Bay State Rd, Boston MA 02215 - web: [www.bu.edu/danielsen](http://www.bu.edu/danielsen)).
- ❖ All pastoral leaders, active and retired of our Archdiocese and their spouses were invited to participate in the survey.
- ❖ Results were tabulated separately for pastoral leaders and Presvyteres.
- ❖ The survey went out to 654 Priests and 525 Presvyteres. Of those, 158 Priests or 24% and 89 or 17% Presvyteres responded.
- ❖ The data from the pastoral leaders has been used as our primary data set due to the higher number of respondents although the data are quite similar for Priests and Presvyteres.
- ❖ Please note that we did survey the 30 and under group with fewer results. That group is typically the smallest group amongst the clergy as 30 is the canonical age for ordination to the priesthood.



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# Outside Sources

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- ❖ Evangelical Pastor Study presented to the National Association of Evangelicals in 2015 and compiled by Grey Matter Research and Consulting (4,249 respondents, 19 denominations, only senior pastors)
- ❖ Association of Theological Schools 2014 analysis of student debt
- ❖ 2016 Financial Capability in the United States, FINRA Investor Education Foundation



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# What is a Priest

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- ❖ Liturgist
- ❖ Confidant
- ❖ First responder
- ❖ Councilor
- ❖ Leader
- ❖ Manager
- ❖ Spiritual guide
- ❖ Role model
- ❖ Friend
- ❖ Preserver of culture
- ❖ CFO, CEO, COO
- ❖ Motivator
- ❖ Teacher
- ❖ Person of prayer

## Master of Divinity—3-Year Program

[For Seminarians of the Greek Orthodox Archdiocese

who are graduates of the Hellenic College Religious Studies A Program]

### ***Fall Semester Spring Semester***

#### **Year 1**

Church History I 3 Church History II 3

Liturgical Greek 3 Liturgics 3

Patrology 3 Old Testament Exegesis 3

Religious Education\* 3 Youth Ministry\* 3

Byzantine Music VII 1.5 Byzantine Music VIII 1.5

Orthodox Ethos 1 Orthodox Ethos 1\_\_

Voice Class 0.5 **14.5**

**15**

#### **Year 2**

Dogmatics I 3 Dogmatics II 3

Pastoral Care I\* 3 Pastoral Care II 3

Ethics 3 Social Ministries\* 3

Elective 3 New Testament Exegesis 3

Elective 3\_\_ Ecumenical Patriarch 3\_\_

**15 15**

#### **Year 3**

Canon Law 3 Ecumenism/World Religions 3

Parish Leadership and Administration I\* 3 Parish Leadership and Administration II\* 3

Preaching 3 Preaching Practicum 0

Teleturgics I 1.5 Teleturgics II 1.5

Thesis or Elective 3 Thesis or Elective 3

Elective 3\_ Elective 3

**16.5** Elective 3\_\_

**16.5**

### ***Total Credits 92.5***

Preaching is a single course offered in two segments. The first consists of classroom instruction in the fall semester, and the second involves the final preparation and public delivery of the sermon during the spring semester. The letter grade for this three-credit course is given at the end of the spring semester.

\*This is also a Field Education course and includes a site placement.



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# Metropolis of Atlanta Strategic Plan Task Force

## Goal 2.3 Clergy Evaluation

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- ❖ Interviewed Numerous Priests on:
  - ❖ Key metrics that they believe are CURRENTLY important indicators of Church performance
  - ❖ Skills and behaviors that distinguish Priest performance in their roles
- ❖ Surveyed 64 Priests on:
  - ❖ Their perceptions of Metric Effectiveness
  - ❖ Their perceptions of skills and behaviors that CURRENTLY distinguish Priest performance

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## Metropolis of Atlanta Strategic Plan Task Force Goal 2.3 Clergy Evaluation

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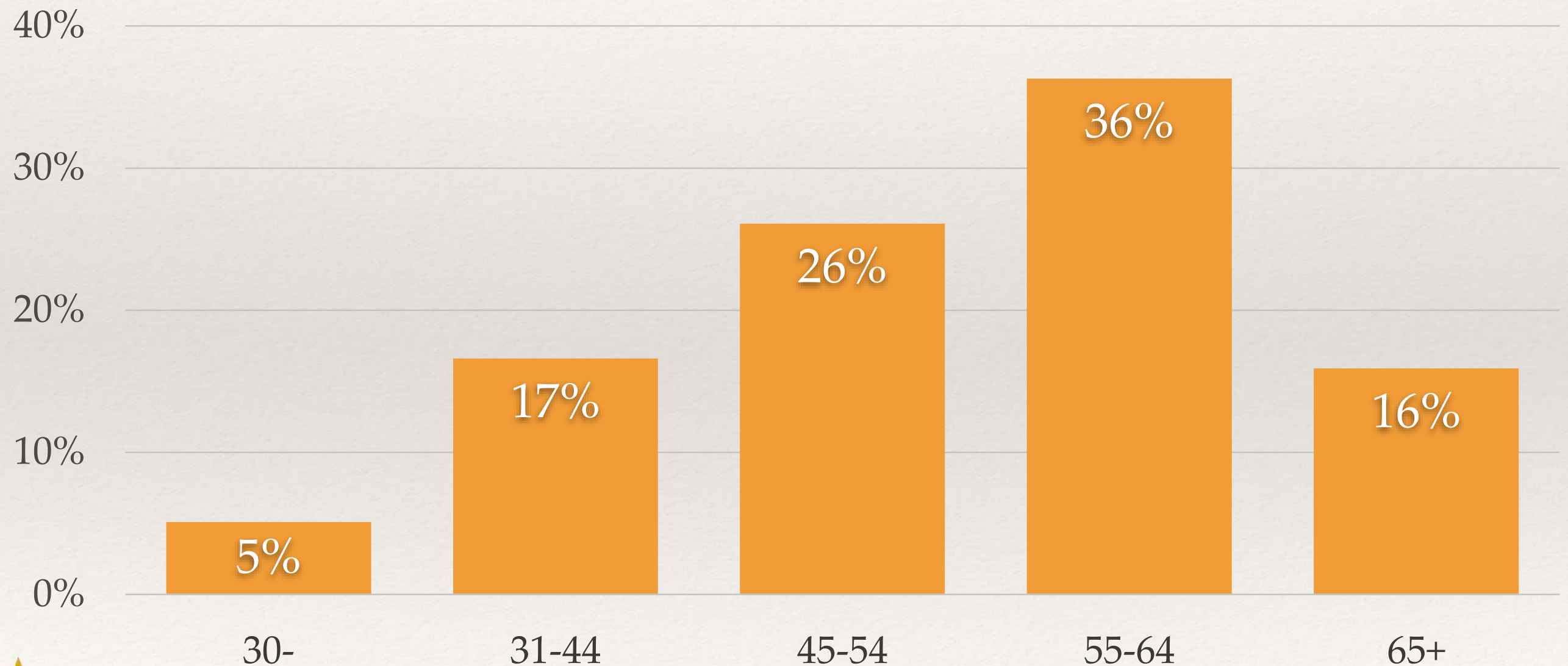
### Most Important Behaviors (5-point scale)

	FREQUENCY	IMPORTANCE	COMBINED
Be willing to listen	4.65	4.84	22.52
<b>Must take your marriage as seriously as the Church</b>	4.56	4.88	22.26
Being loving to the flock	4.63	4.76	22.03
Does not treat the priesthood as a job only	4.57	4.73	21.62
<b>Not ignore their own family</b>	4.48	4.80	21.50
Treats everyone the same no matter of status	4.50	4.59	20.64
Being personable with the people no matter who they are	4.44	4.63	20.60
Prepared for sermons	4.43	4.60	20.39
True servant leaders, they serve others	4.41	4.62	20.38
They make time for their own prayers	4.24	4.71	19.98



# Respondent Background - Age

The majority of the respondents were in the higher age groups



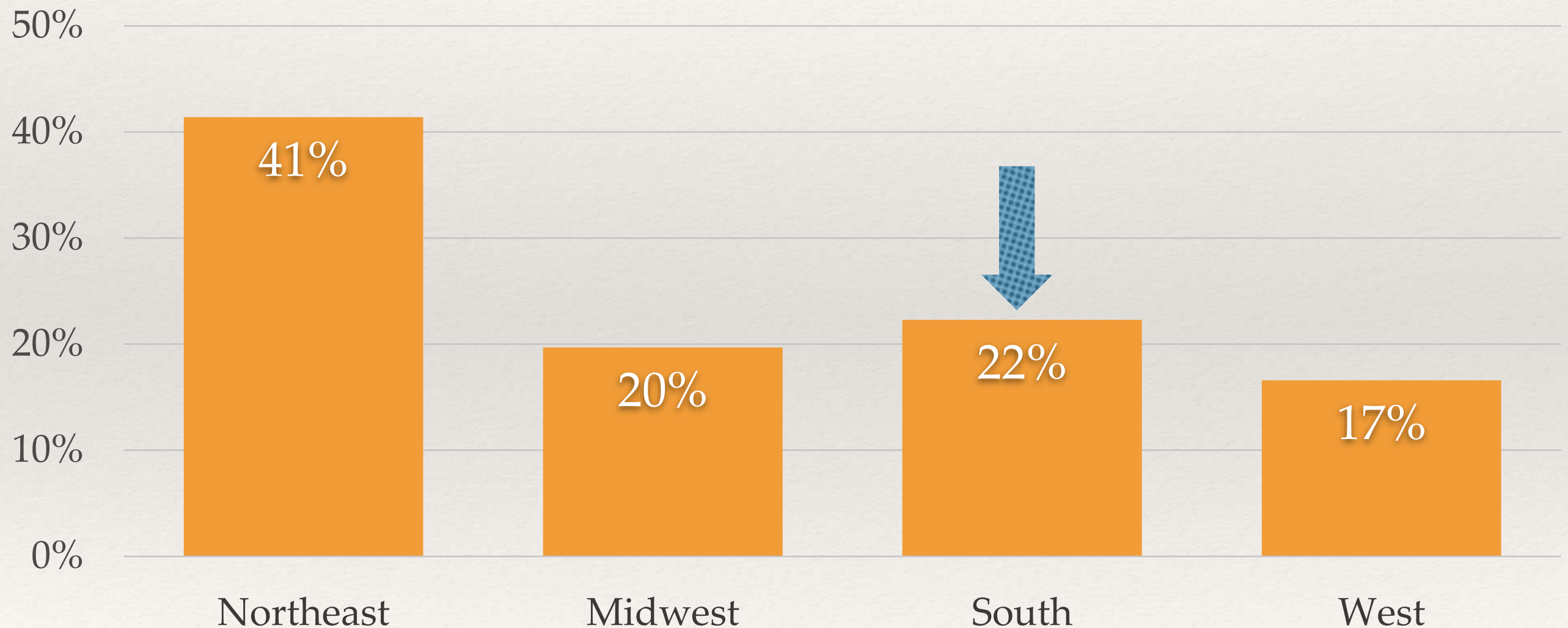
Clergy Initiative study by the Danielson Institute 2016



# Residence

The Northeast was the most represented location with the others being fairly event

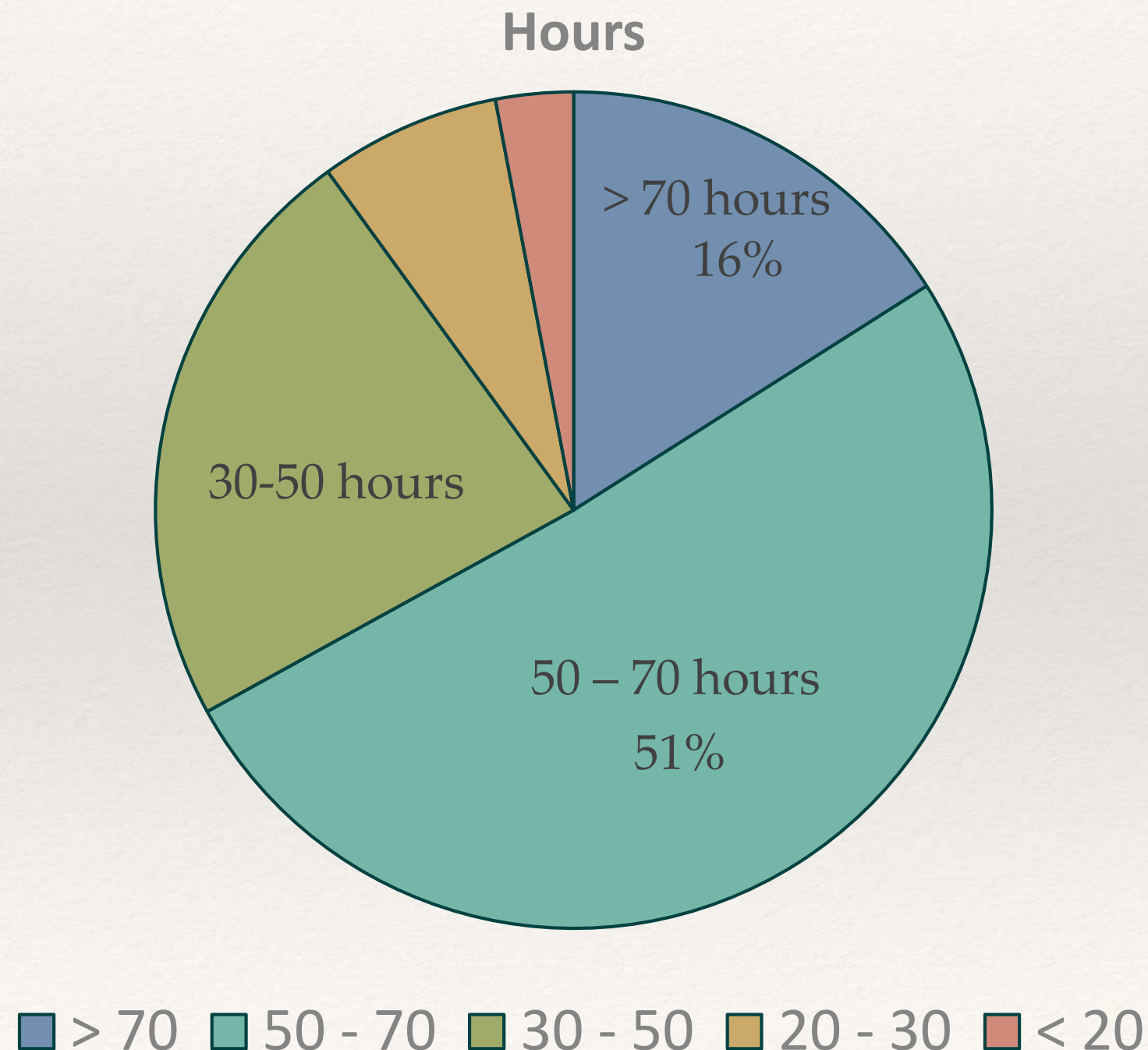
*52% of Clergy live in areas with a higher than average cost of living*



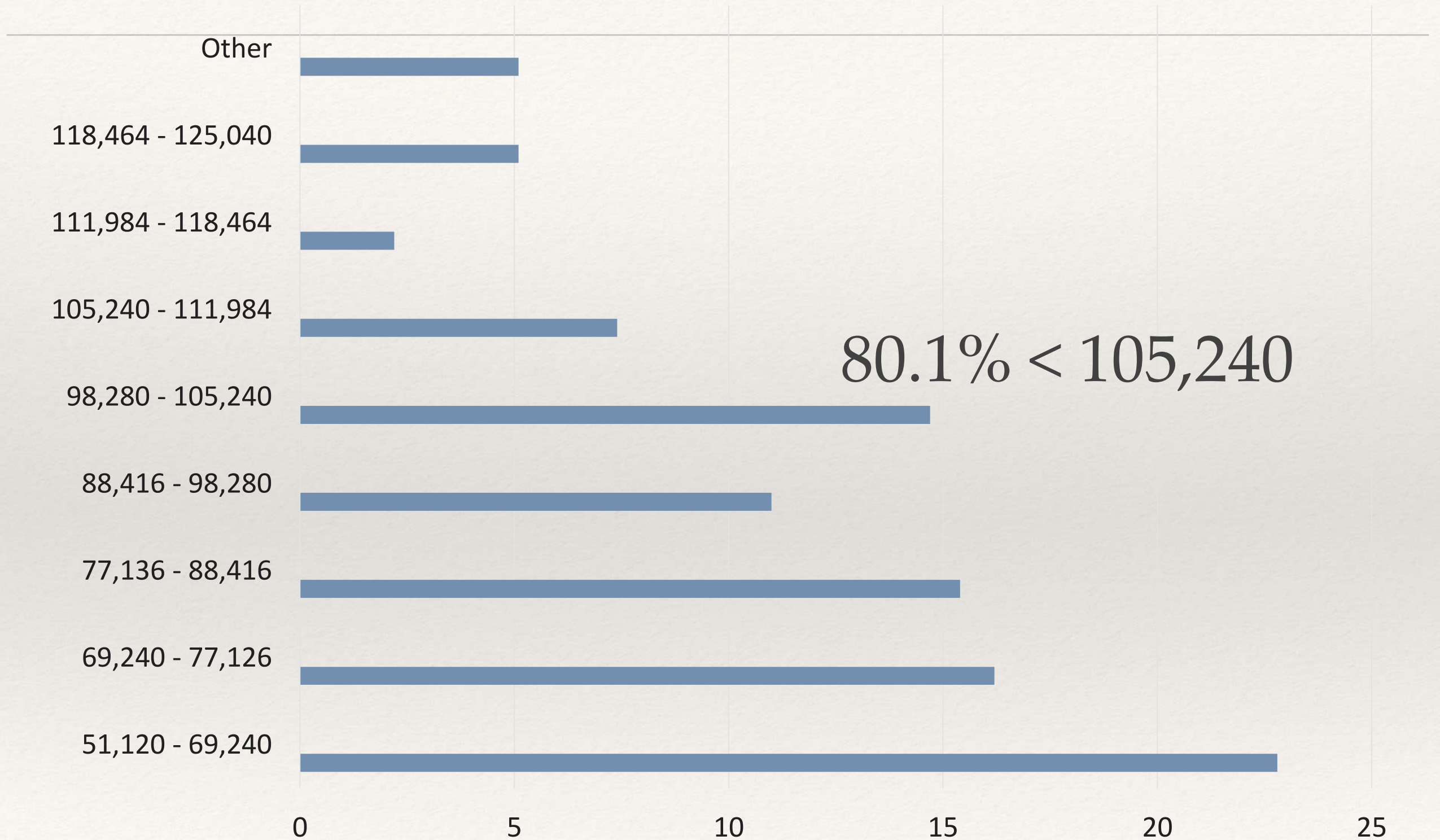


# How Many Hours Do You Work per Week?

*Metropolis of Atlanta Strategic Plan Goal 2.1 Clergy Development*



# Clergy Compensation (\$)





## The Clergy Compensation Plan Guidelines for 2016

In accordance with the *Uniform Parish Regulations* of the Archdiocese, the annual compensation package for the year 2016 includes: (A) Salary and Housing Allowance, and (B) Benefits, as outlined below.

### A. SALARY and HOUSING ALLOWANCE

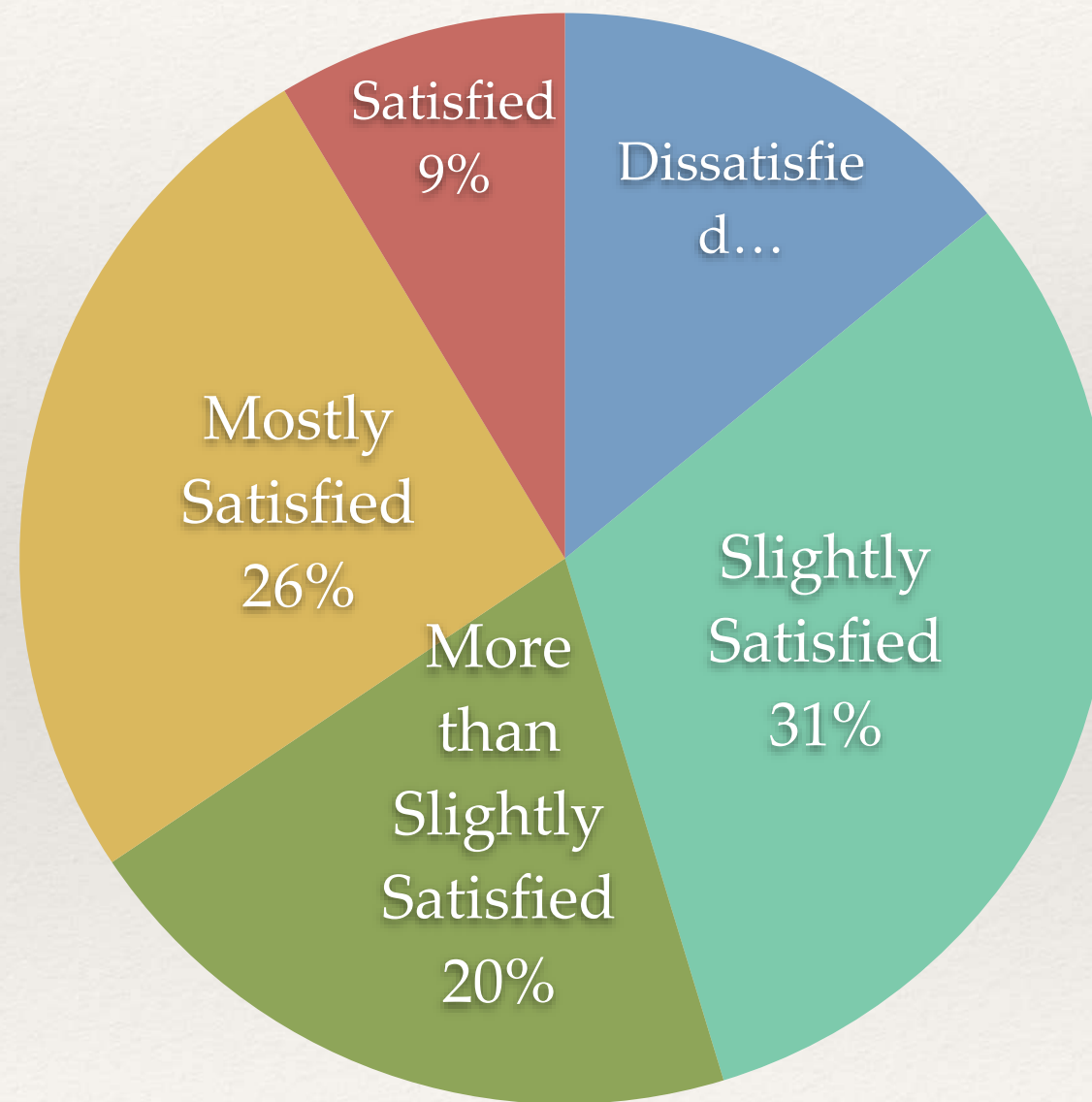
<u>YEARS OF SERVICE</u>	<u>REMUNERATION RANGE</u>
Up to 5 years	\$ 51,120 - \$ 69,240
6 – 10 years	\$ 69,240 - \$ 77,126
11 – 15 years	\$ 77,136 - \$ 88,416
16 – 20 years	\$ 88,416 - \$ 98,280
21 – 25 years	\$ 98,280 - \$105,240
26 – 30 years	\$105,240 - \$111,984
31 – 35 years	\$111,984 - \$118,464
Over 35 years	\$118,464 - \$125,040

### NOTES

- a) It is suggested that the annual minimum increase in a clergyman's remuneration include an annual cost of living increase beginning January 1<sup>st</sup> of each year.
- b) When using these remuneration ranges, the Parish Council should consider the size of the parish and factor the relative cost of living for its specific geographic area.
- c) In the event a parish provides "housing" by making available a parish owned home, then an equitable and reasonable "deduction adjustment" should be made from the Salary and Housing Allowance figures above, based on the local fair market rental value of the home being provided.
- d) Any exception to the Clergy Compensation Plan Guidelines must be approved by the clergyman's Hierarch.

# Satisfaction with Compensation

35% of Clergy reported being mostly satisfied to satisfied with their compensation.  
45% reported being slightly to dissatisfied.



How often has your Priest refused a raise because they wanted to be sure their Parish was financially healthy?





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# What is Your Present Level of Satisfaction With?

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Responses rates as very satisfied or satisfied

Overall effectiveness as a pastoral leader	91%
Relations with Parish Council	90%
Relations with lay leaders	89%
Relations with fellow clergy	86%
Relations with Bishop	83%
<b>Salary &amp; benefits</b>	<b>78%</b>
<b>Relations with Chancellor</b>	<b>77%</b>
<b>Opportunities for continuing theological education/edification</b>	<b>61%</b>

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# Clergy Health & Wellness

## *Metropolis of Atlanta Strategic Plan Goal 2.1 Clergy Development*

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In the past 6 month how often have you been bothered by the following?

	Several Days %	More than Half the days %	Nearly Every day %
Little or no interest or pleasure in doing things	48	2	2
Trouble falling asleep, staying asleep or sleeping too much	47	19	3
Feeling tired or having little energy	63	16	5
Poor appetite or overeating	35	21	3
Feeling bad about yourself, feeling that you are a failure or feeling that you have let yourself or your family down	45	5	0
Feelings of sadness, anxiety, worthlessness or shame	56	3	2



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## Do you think financial stress results in any of the following physical and/or emotional health issues for you?

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<u>Health Issue</u>	<u>%</u>
Weight gain/loss	43.9
Lack of energy or motivation	36.9
Emotional difficulties/conditions	31.8
A physical health condition or exacerbation of a condition	25.5
Not applicable	25.5
An inability to afford an exercise program that would help reduce your stress	20.4
Physical pain	20.4
Other	3.8

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# Approximate vacation days per year

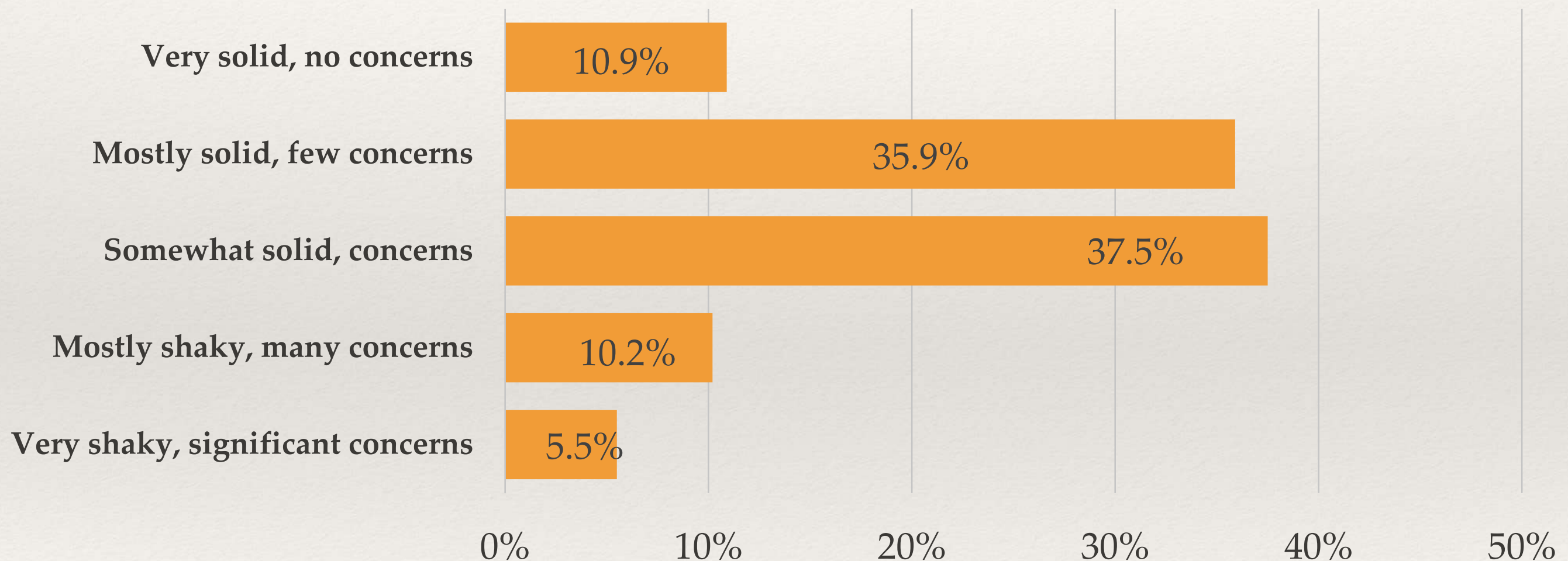
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<u><b>Vacation Days</b></u>	<u><b>%</b></u>
Cannot afford a vacation	11.9
Two weeks or less	47.4
Two to 3 weeks	23.7
More than 3 weeks	16.3
Substitute clergy not available	0.7



# How Would You Describe Your Church Financial Situation

Thankfully the majority of our parishes are in a somewhat solid or better financial situation.



Clergy Initiative Study by the Danielson Institute 2016

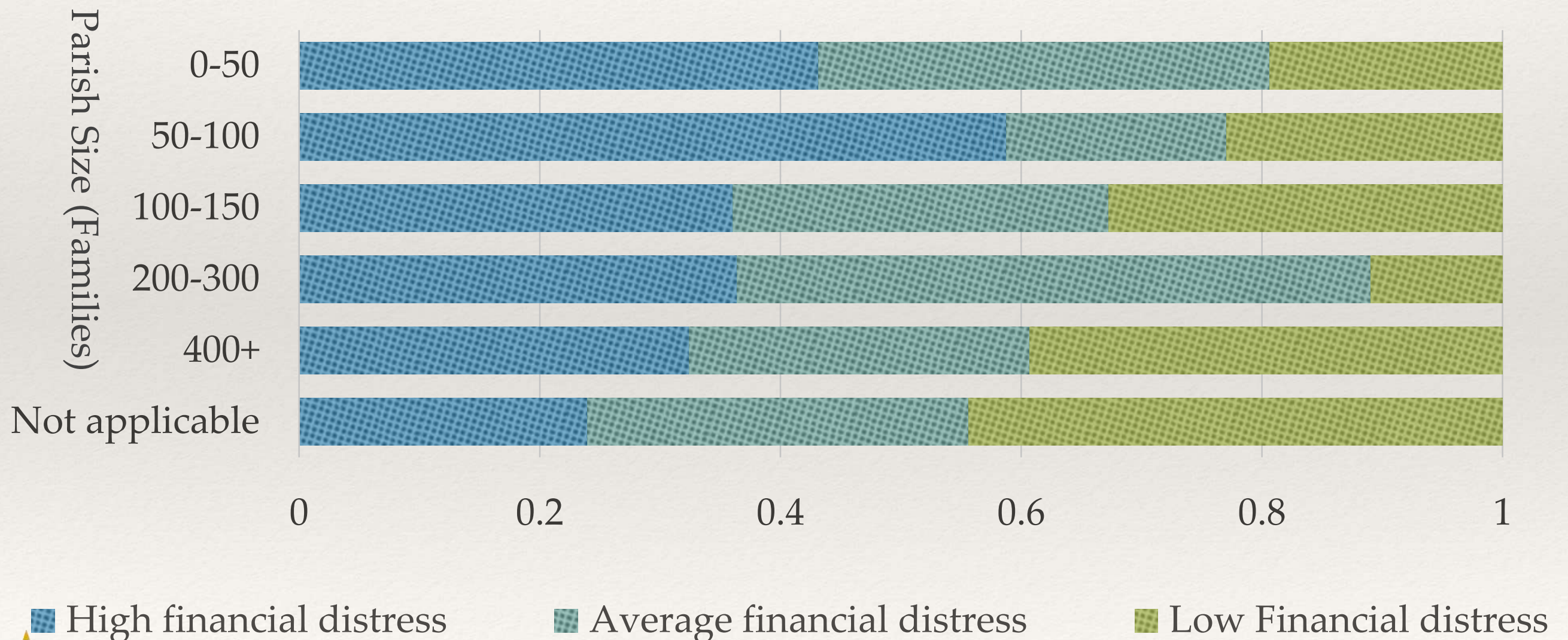




# Church Financial Situation

## *Parish Size vs Financial Stress*

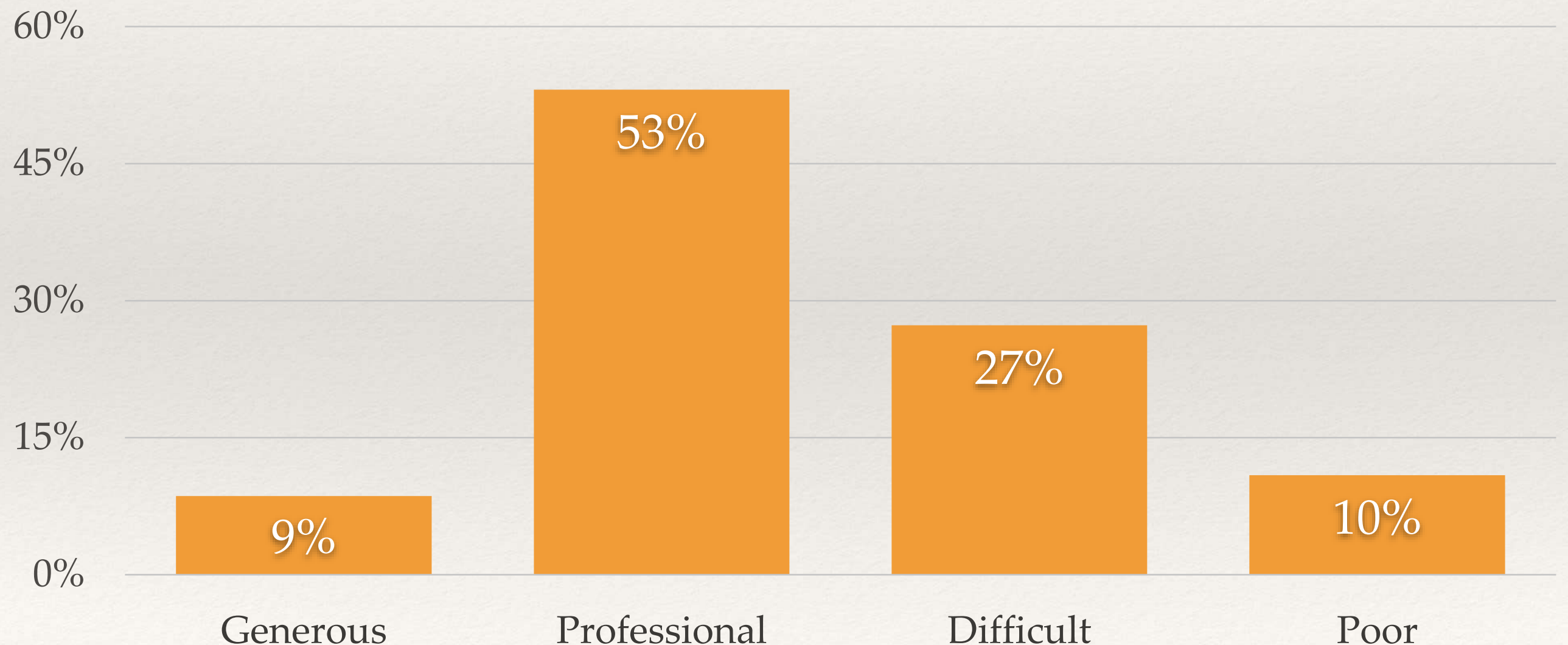
The smaller the parish, the higher the financial stress level of the priest and the larger the parish the lower the financial stress level.





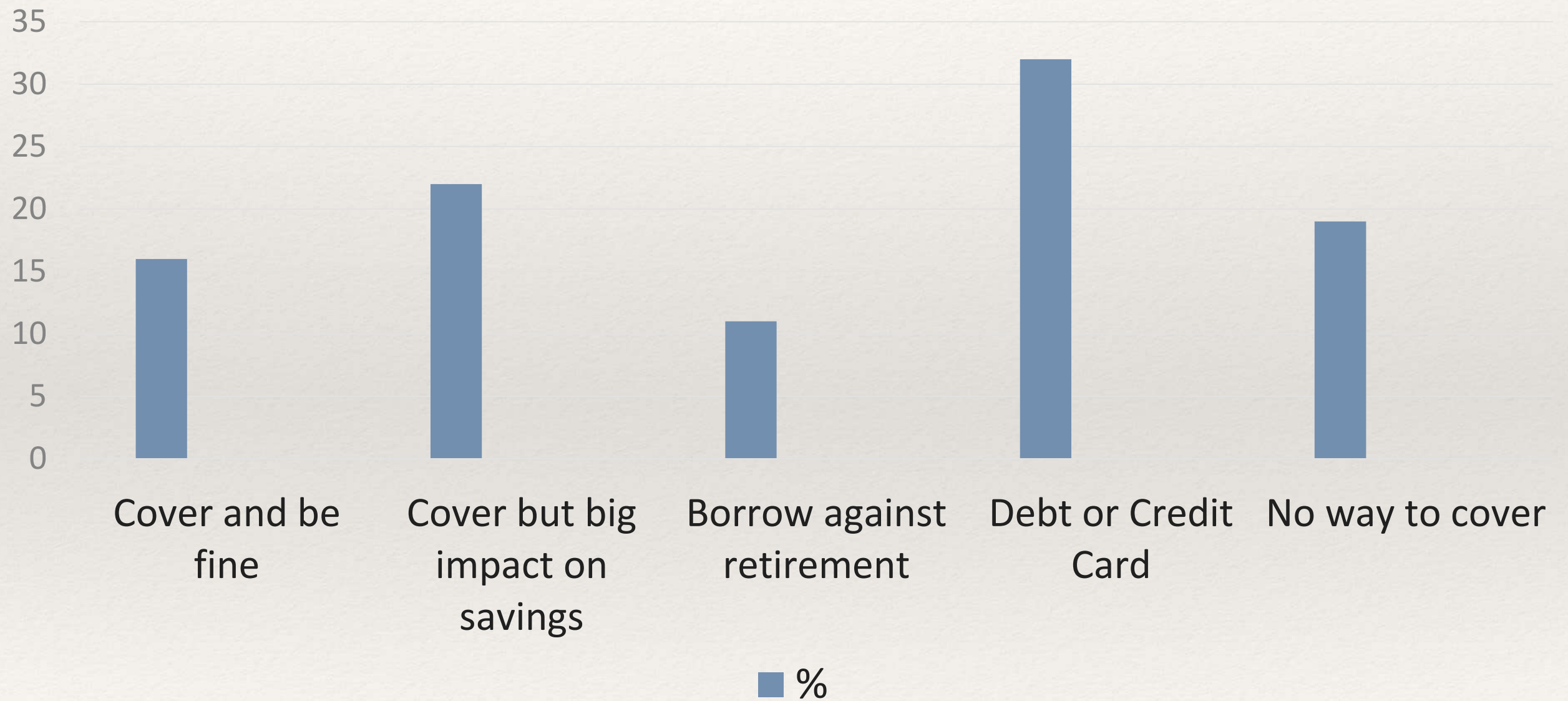
# Church Financial Culture

37% of Clergy described their church's financial culture when it comes to discussing their compensation & benefits as either difficult or poor and only 8.6% described their church's culture as generous when it comes to discussing their compensation.



## Evangelical: Lack of Savings

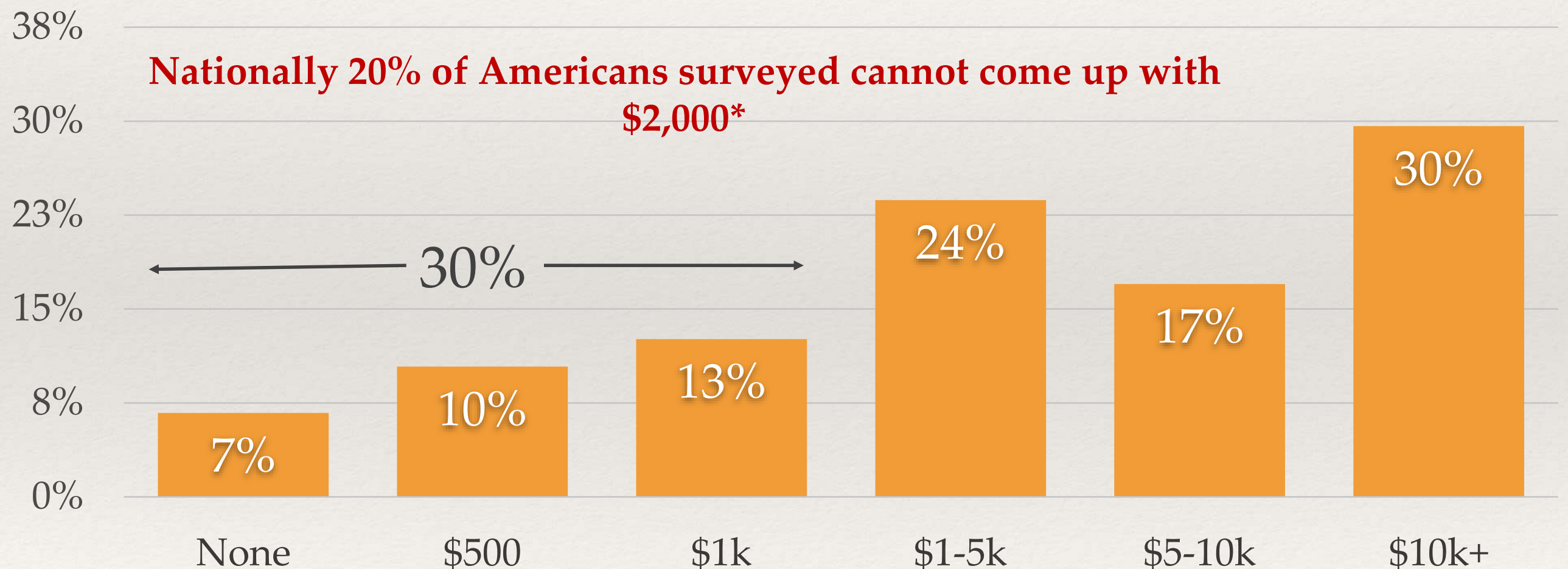
Very few pastors could cover an unexpected expense of \$10,000 and be fine





# Lack of Savings

46.7% of Clergy report that they could not come up with more than \$5,000 if faced with an unexpected emergency.



\*FINRA 2016

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# National Survey: Rainy Day Funds

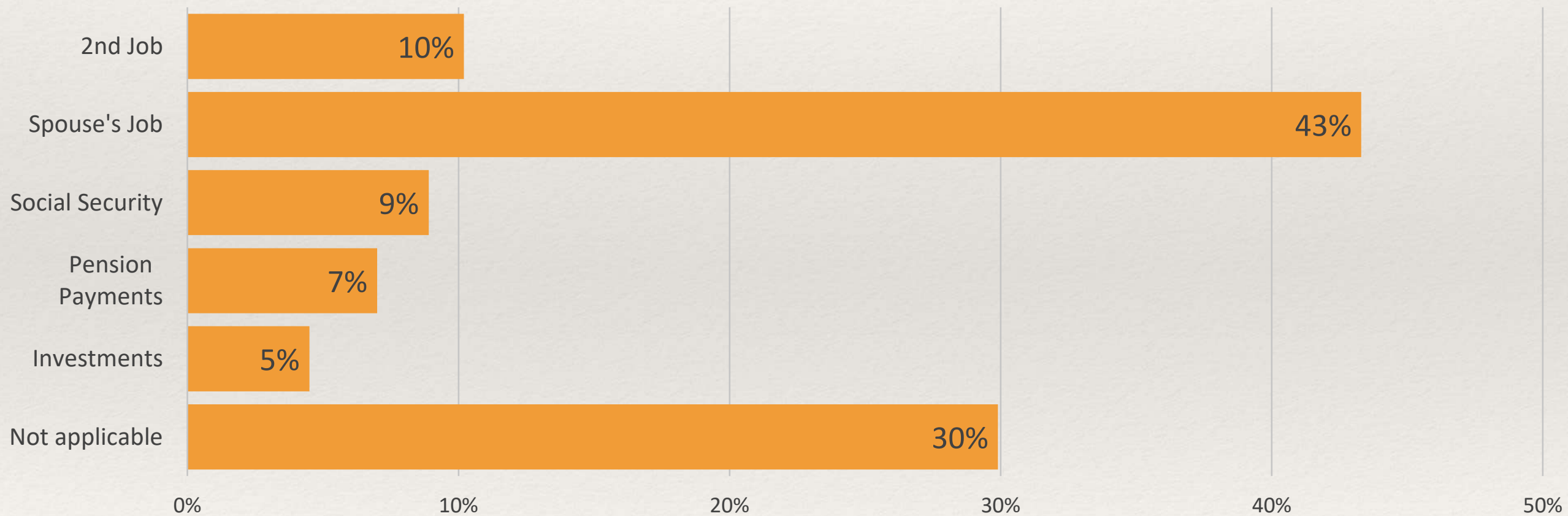
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- ❖ 46% have set aside 3 months worth of emergency funds
- ❖ 62% of those with college or more have set aside 3 months worth of emergency funds
- ❖ **Only 11% of those with incomes over \$75,000 could not come up with \$2,000**



# Other Income Sources

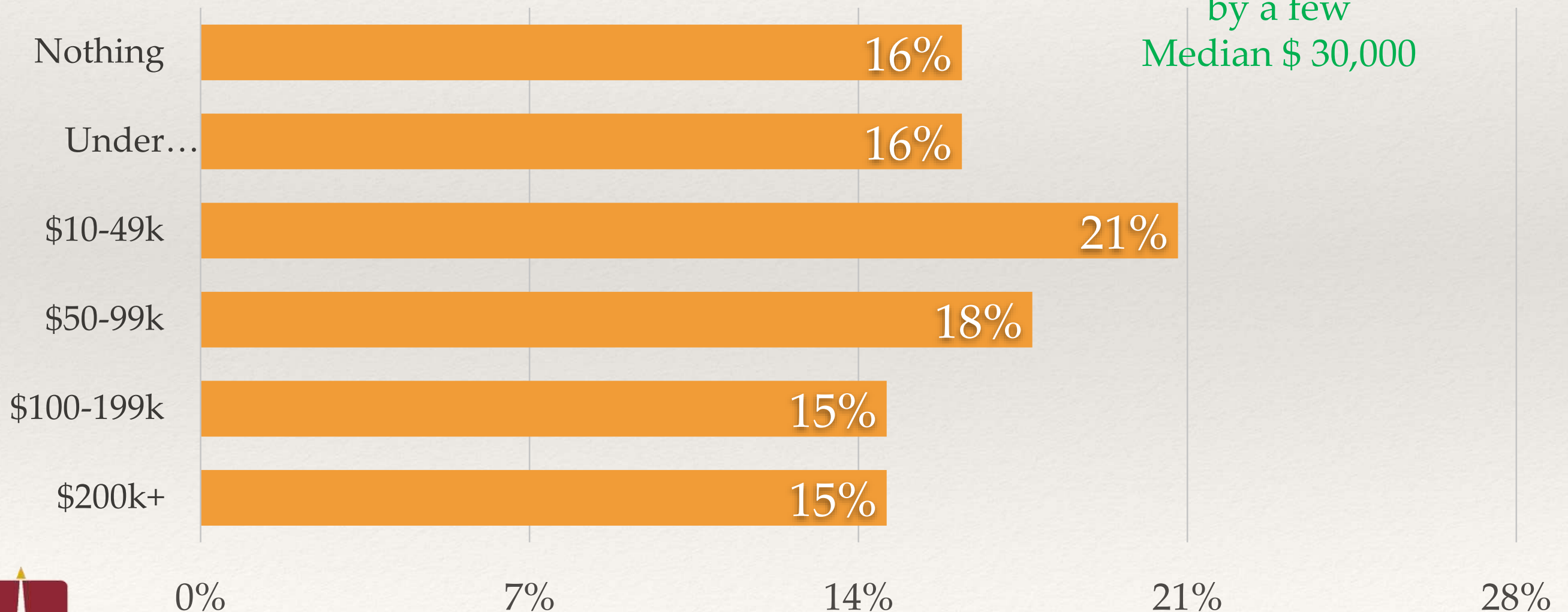
71.1% of Clergy reported having some sort of additional income



# Retirement Savings

**GOA: 16% of Clergy have nothing saved for retirement. 53% have less than \$49,000**

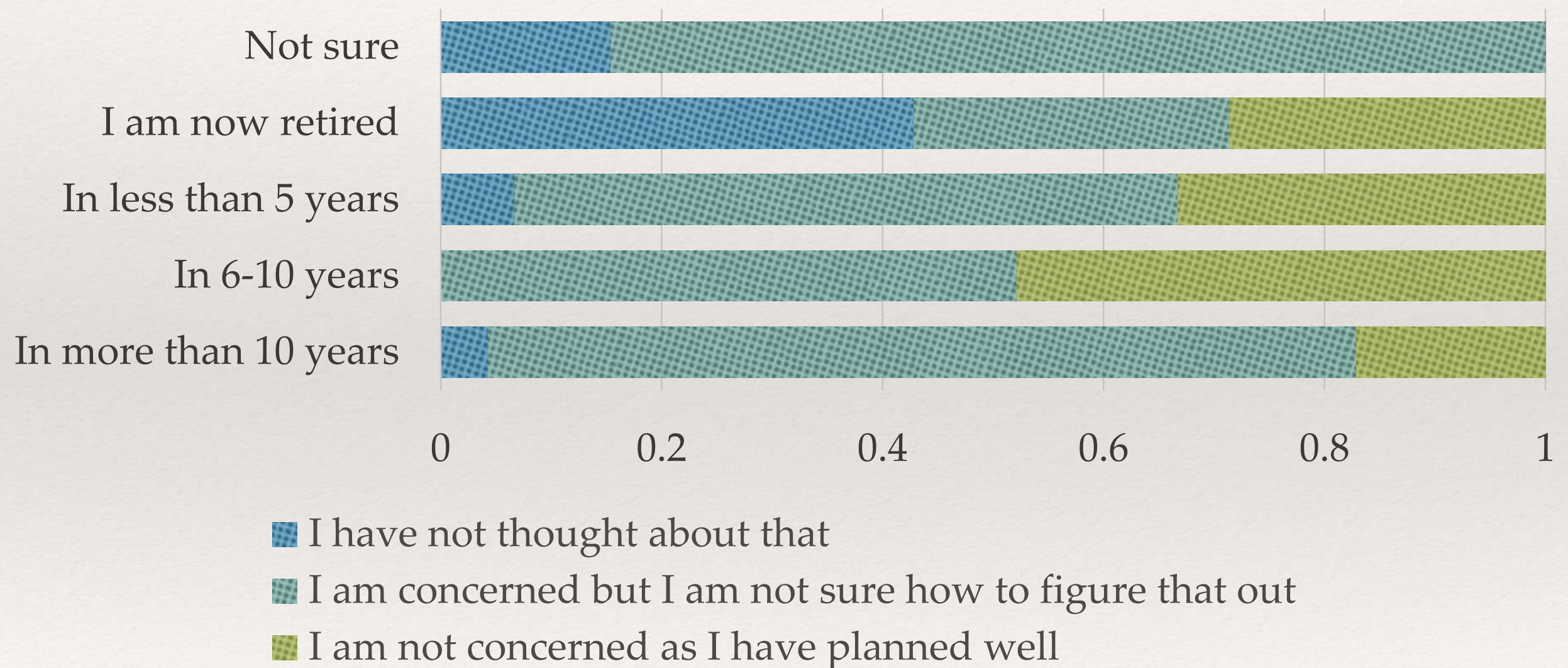
**Evangelical**  
20% have nothing saved  
Average \$98,000 but is skewed by a few  
Median \$ 30,000





# Are Clergy Worried YES! Do You Know What to do NO!

q. 33. In how many years do you plan to retire? & q. 36. How concerned are you about the adequacy of your projected sources of retirement income to maintain a reasonable standard of living?



# States vs GOA Clergy Retirement Plan

*For states the news continues to worsen  
2016 average 71.1  
2014 average 75.6*

Clergy Benefit Plan Funding Ratio  
**53%**

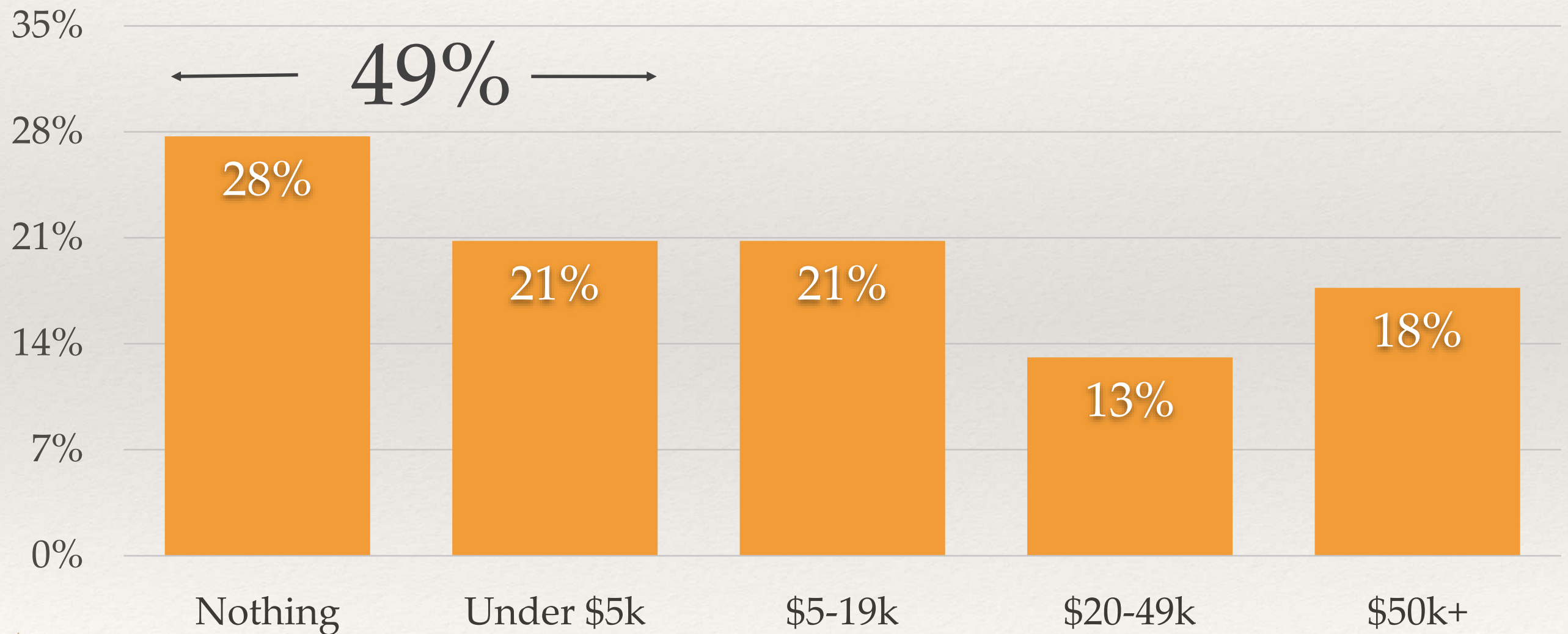
Meisler L, Bloomberg 8/29/17

Rank	State	Funding Ratio
1	New Jersey	30.9
2	Kentucky	31.4
3	Illinois	35.6
4	Connecticut	44.1
5	Colorado	46
6	Pennsylvania	52.6
7	Minnesota	53.2
8	South Carolina	53.8
9	Rhode Island	55.3
10	Massachusetts	57.5
11	New Hampshire	58.3
12	Louisiana	60.2
25	Oklahoma	71.9
37	Delaware	81.8
50	Wisconsin	100



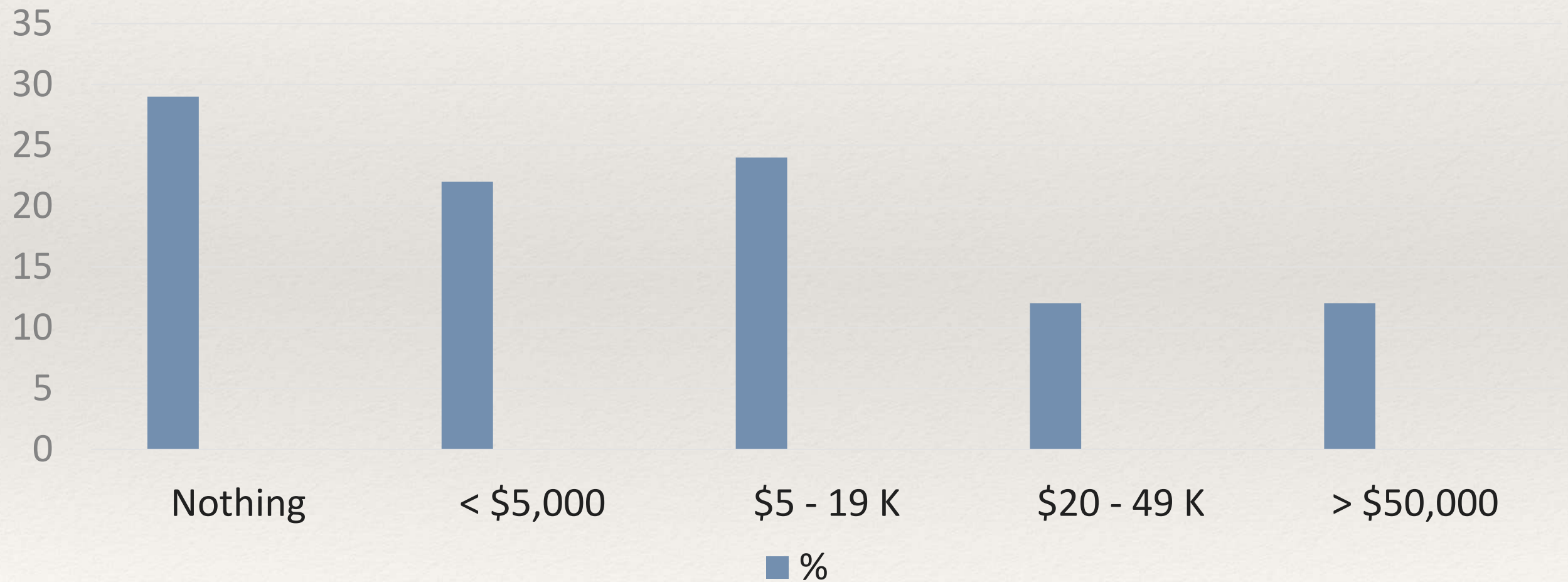
# Total Personal Savings Outside of Retirement

28 % of Clergy have no personal savings



# Evangelical: Personal Savings

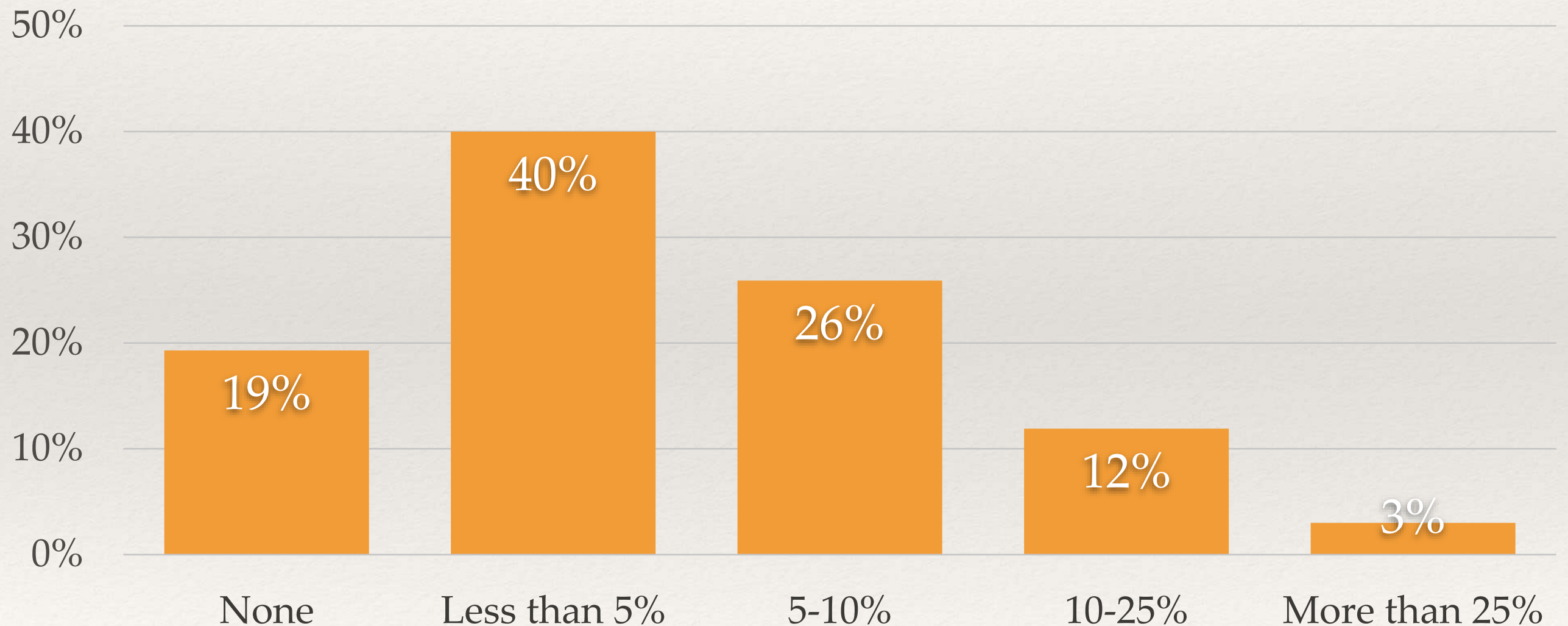
**30% of pastors have no savings. Average amount = \$29,696, but this is skewed by a few who have substantial savings. Median = \$3,800**





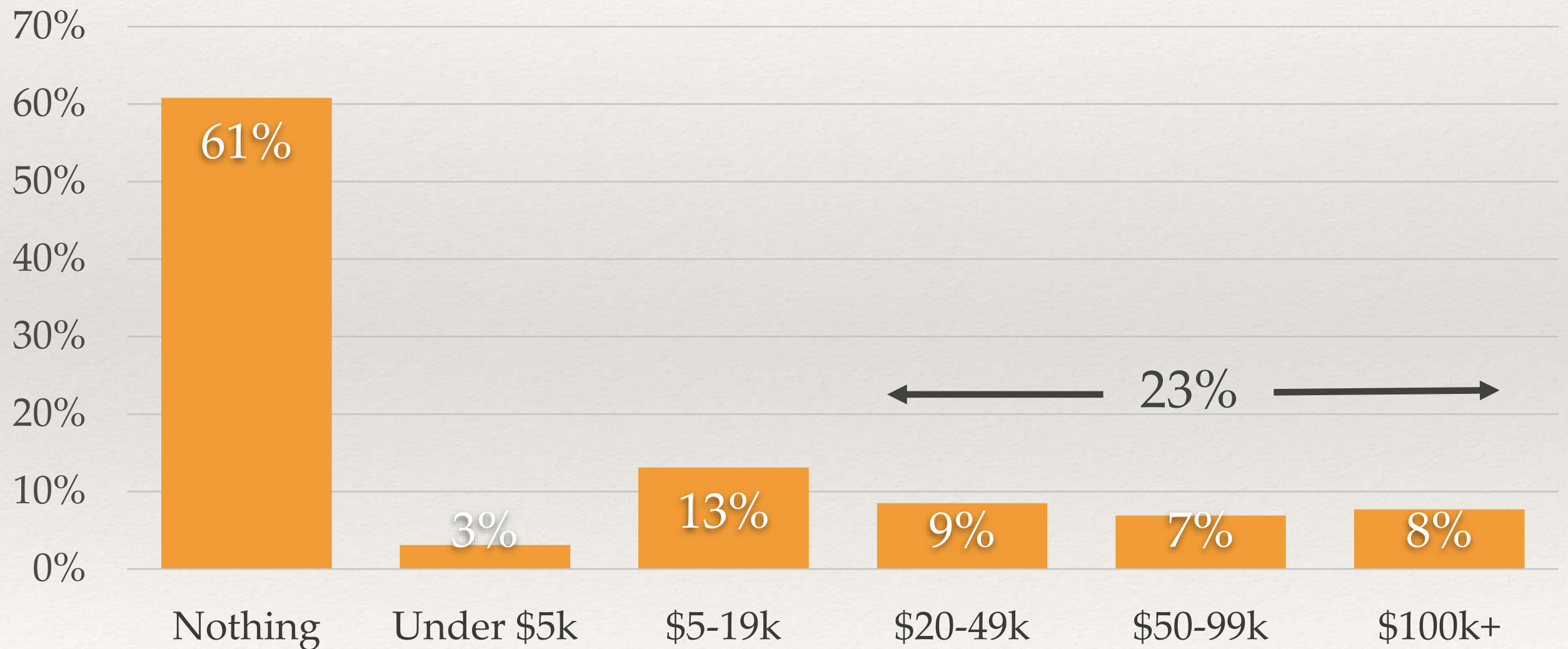
# Savings

59% of Priests reported that they are currently saving less than 5% of take-home pay



# Student Loan Debt

Four out of 10 Priests are carrying student loan debt. 23% of pastors are carrying more than \$20k in student loan debt.





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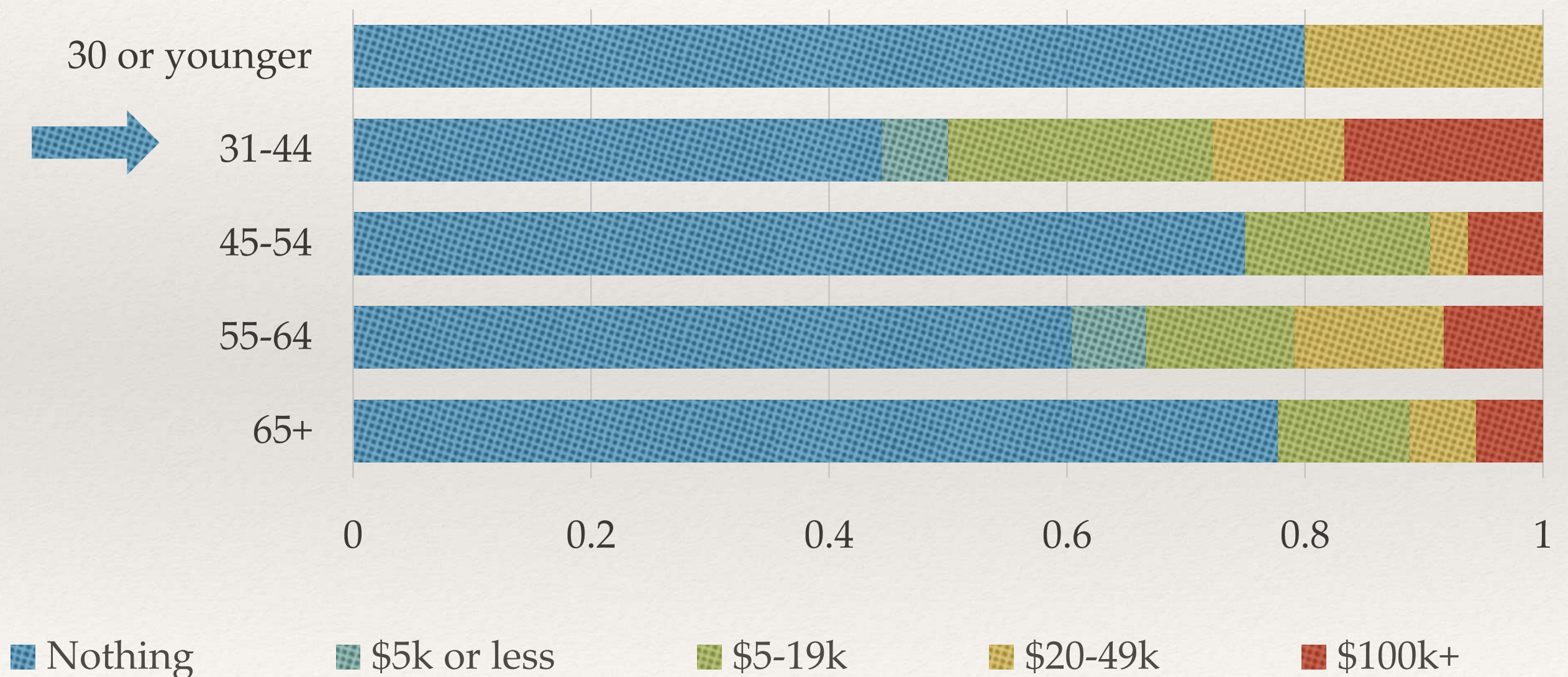
# Average Seminary Debt

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- ❖ All seminarians \$17,842
- ❖ Of those seminarians who borrow \$35,625
- ❖ Alumni \$51,000
- ❖ Debt they bring to seminary
  - ❖ All seminarians \$13,471
  - ❖ Those with debt \$31,719



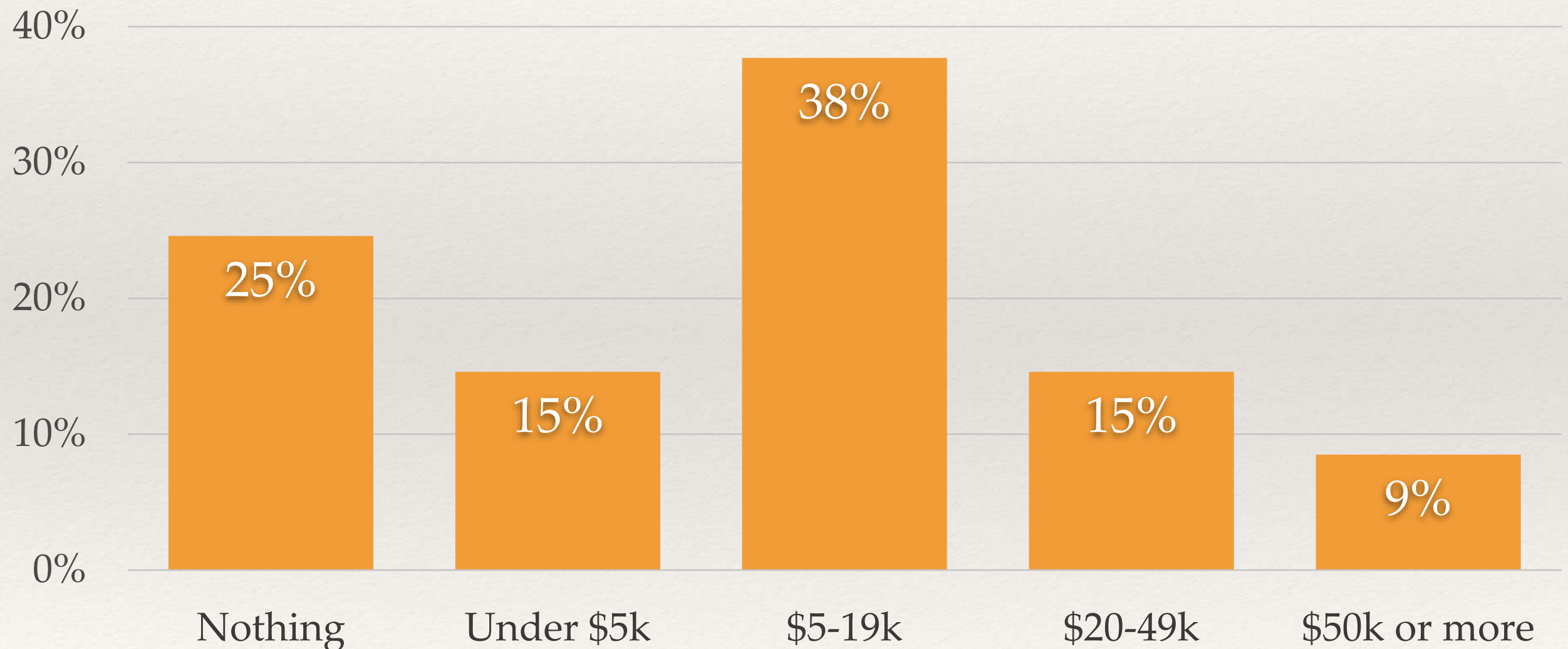
# Student Loan Debt by Age





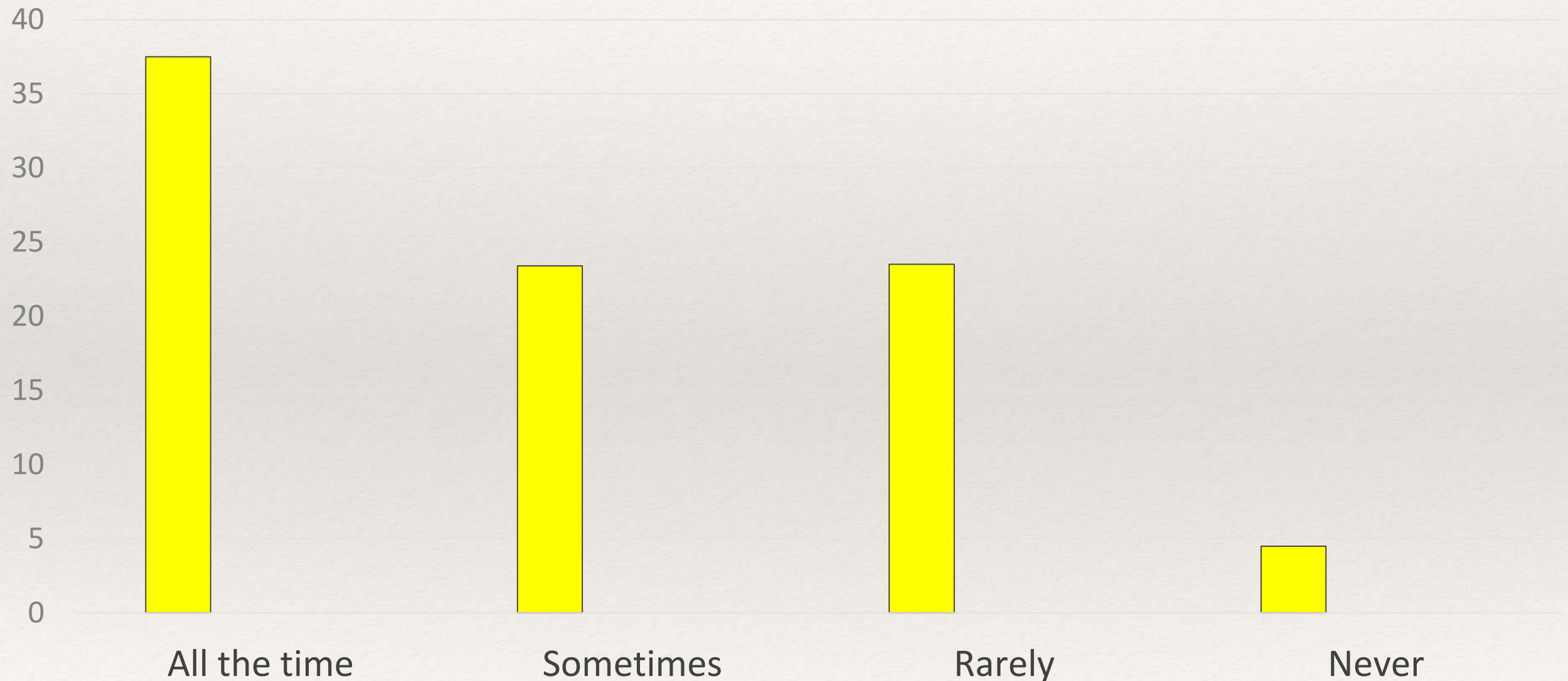
# Non-mortgage Debt

75% of Clergy carry some kind of other debt.



# How frequently do you find yourself just getting by financially and living paycheck to paycheck

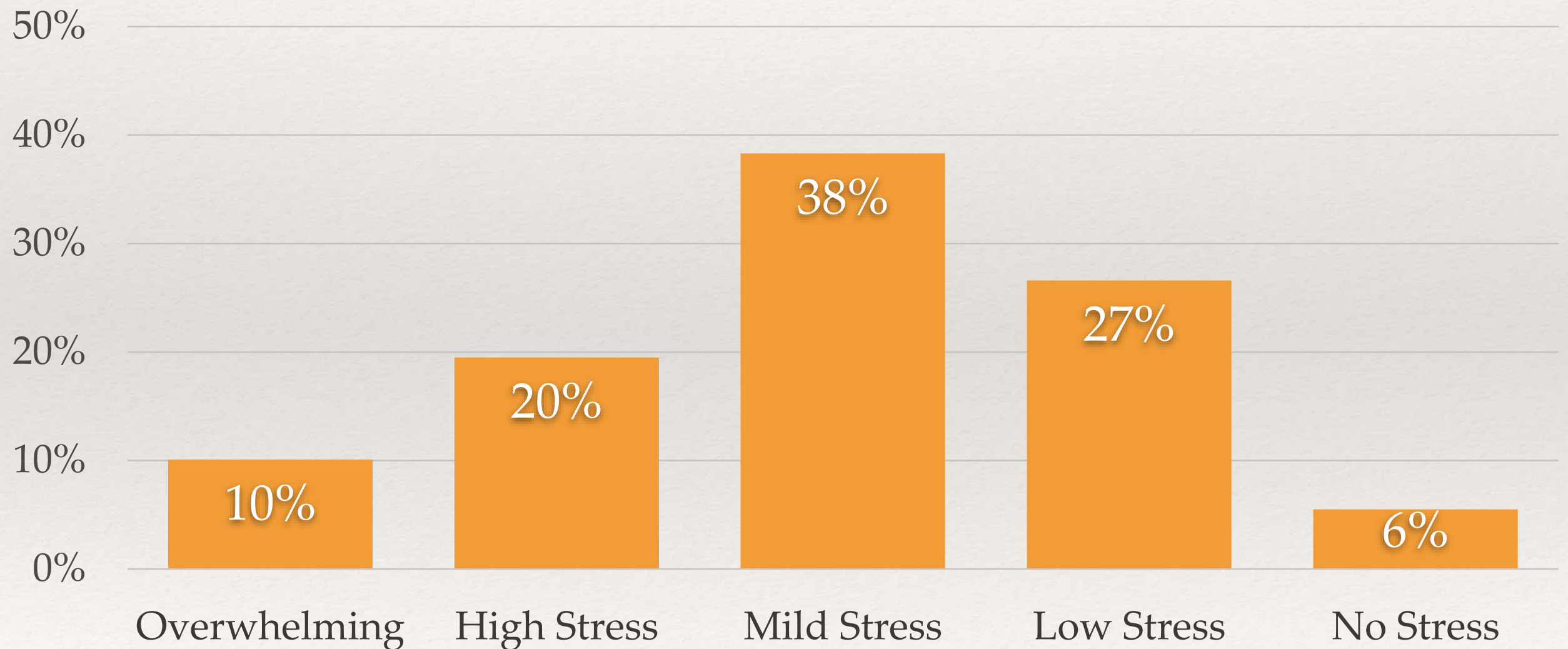
Percent





# Financial Stress

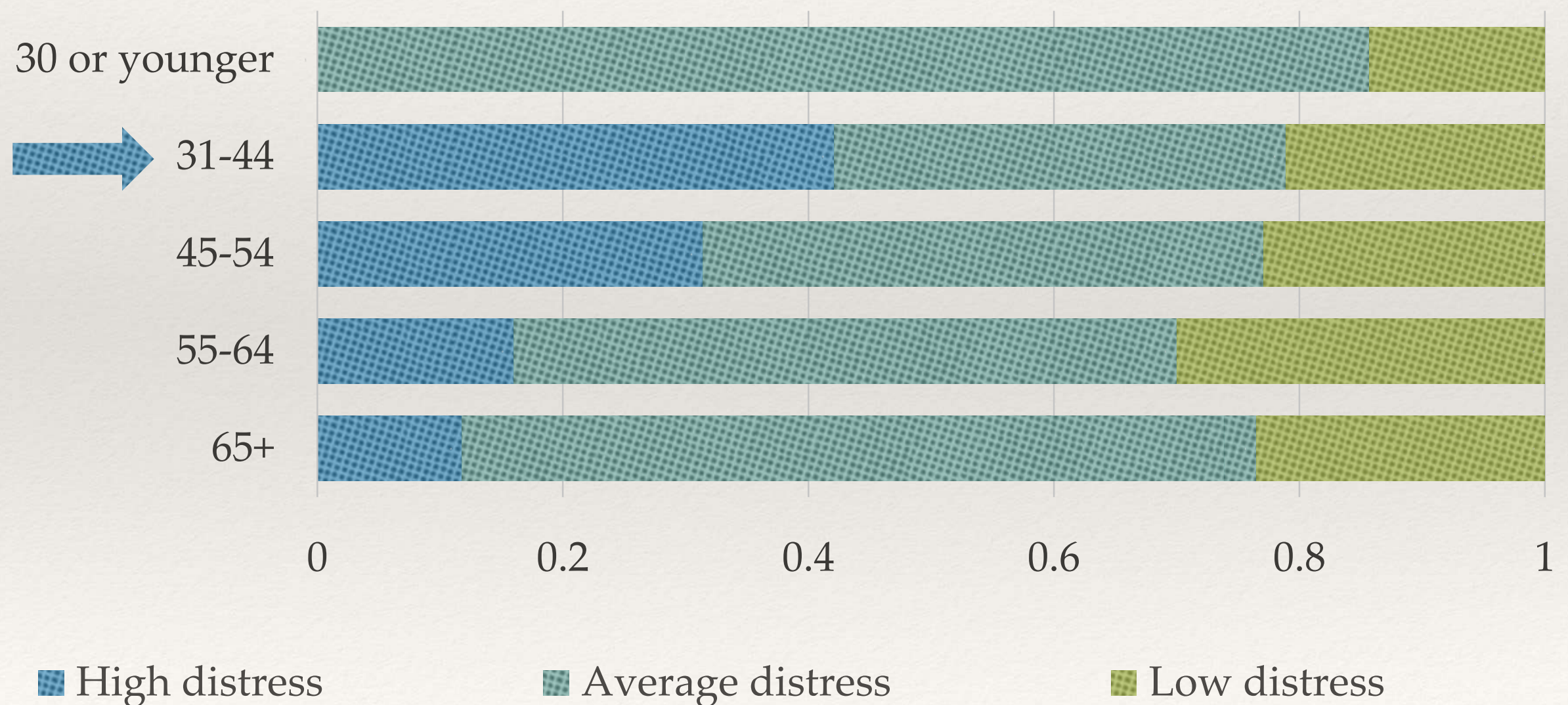
68% of Clergy feel mild to overwhelming financial stress





# Financial Stress vs Age

Younger Priests showed greater signs of financial distress. Suggesting that carrying education debt while just starting out as a Priest is causing distress.

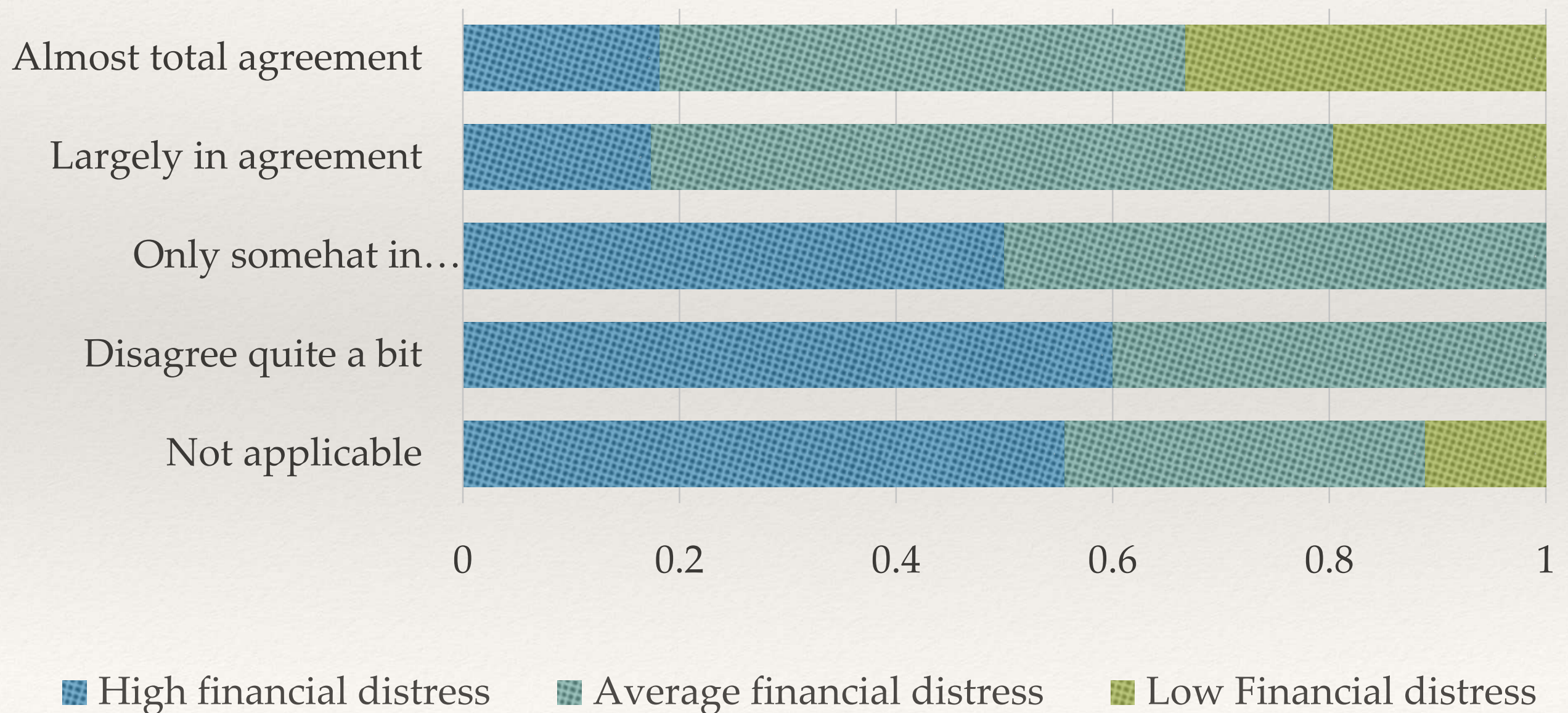






# Spousal Agreement

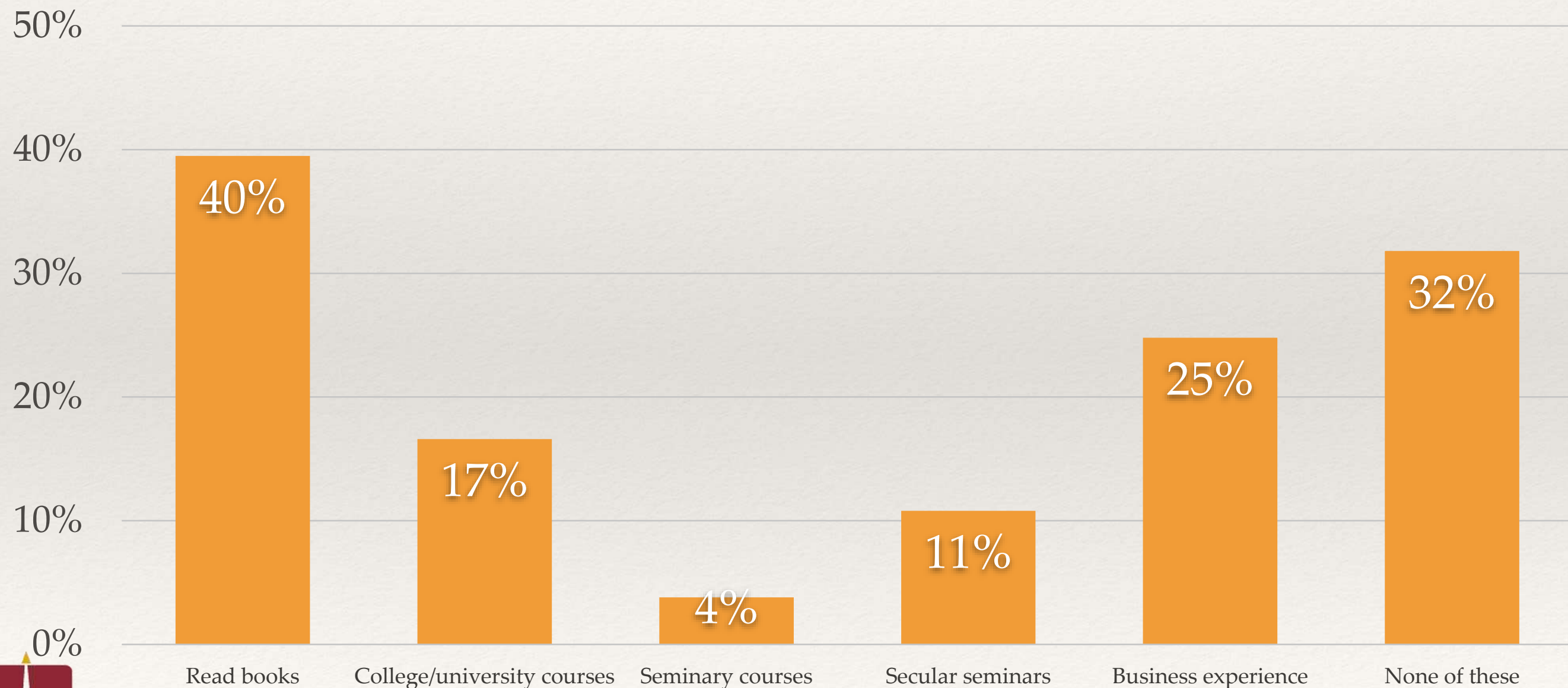
The more in agreement, the more likely the couple had less stress regarding their finances.





# Financial Training

Alarming, only 3.8% of Clergy reported receiving some sort of formal financial training in seminary. 31.8% report having received none of the financial training listed.





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# Long term planning

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- ❖ 51.6% do not have a will
- ❖ 80.5% do not have an estate plan
- ❖ 48.5% have never consulted a financial advisor



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# Which Areas Would You Like Further Education

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*Metropolis of Atlanta Strategic Plan Goal 2.1 Clergy Development*

Pastoral Skills	44%
Parish Administration, finances, budget & Office Administration	39%
Spiritual Growth	39%
Grief & Bereavement	35%
Leadership & Team Building	34%
Mental Health Issues	34%

Clergy were asked to identify 5 areas out of 19



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# Personal Finances and Planning Educational Needs

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Percent

Retirement benefits	51
Estate planning	46.5
Investments	37.6
Taxes	31.8
Budgeting	29.3
Education savings	17.2
Not applicable	10.8
Other	4.5



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# Parish fiscal management needs

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Percent

<b>Bequests</b>	<b>52.2</b>
<b>Fundraising</b>	<b>51</b>
<b>Trust funds</b>	<b>43.3</b>
Investments	35
Budgeting	29.3
Financial statements	27.4
Not applicable	14
Other	1.3





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## Parish Retirement Plan Obligation - \$650

*What is this for?*

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- ❖ Covers the operating expenses of the Archdiocese Benefits Office
- ❖ Covers ancillary benefits (life insurance long term disability, accidental death and dismemberment, travel accident insurance, world travel insurance and confidential assistance plan)
- ❖ Remainder invested in clergy pension portfolio
- ❖ Clergy must participate in retirement plan to receive above benefits

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# Summary

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- ❖ Ministry is a **deeply** meaningful and satisfying calling
- ❖ There is growing evidence that Clergy and their families are at **significant risk for mental and physical problems** including trauma symptoms.
- ❖ We have **underappreciated** the financial strain our Clergy and their families are under with inadequate savings for retirement, emergencies, large purchases and education
- ❖ Clergy are **not well equipped** to manage their personal finances or their congregations' finances
- ❖ Laity have **underappreciated** the financial and emotional challenges our Clergy and their families face while they suffer in silence



## Core Questions We Have to Ask Ourselves

### This is where the dialogue begins!

- ❖ What are the economic challenges facing pastoral leaders?
- ❖ Whose challenges are they?
- ❖ Whose work is it to address them?
- ❖ Who are the people and leaders in the best position to do something to address these issues and challenges?
- ❖ What are the most effective strategies?
- ❖ Where are the leverage points where we can make the most difference?

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# Obstacles

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- ❖ Resistance - both personal and professional. Especially true in all Churches at all levels!
- ❖ We all have our comfort zone and don't like those who challenge that
- ❖ Silo Effect: I do my work, you do your work, and no one talks to one another





Bethlehem Intergenerational Center

JULY 31 AT 12:58 PM

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*My mouth shall speak  
wisdom and the  
meditation  
of my heart shall bring  
forth understanding*