

**AUDITOR'S STATEMENT TO 55TH DIOCESAN ASSEMBLY
THE DIOCESE OF PHILADELPHIA AND EASTERN PENNSYLVANIA
ORTHODOX CHURCH IN AMERICA
ST. NICHOLAS ORTHODOX CHURCH, BETHLEHEM**

JANUARY 24-25, 2019

Matushka Sharon Hubiak

Auditor

Gregory Polk

Auditor

David M. Yeosock, PE

Auditor

We have examined a substantial sampling of financial records with regard to income and expenses relative to The Diocese of Philadelphia and Eastern Pennsylvania and the Health Insurance Fund. The Auditors have met bi-quarterly to assess documentation and have found the records to be in good order.

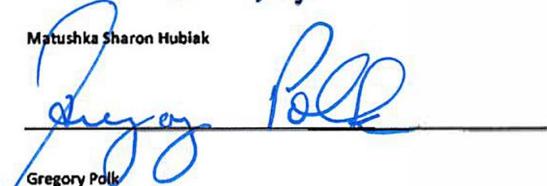
As a result of these reviews, we believe that the prepared reports presented for the financial period of January 1, 2018 through December 31, 2018 have been fairly stated.

Respectfully Completed

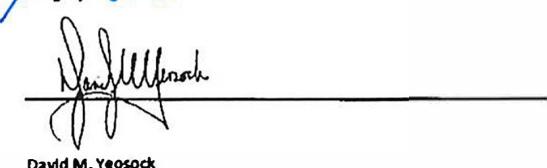
January 16, 2019



Matushka Sharon Hubiak



Gregory Polk



David M. Yeosock

AUDITOR REPORT TO DIOCESAN COUNCIL
THE DIOCESE OF PHILADELPHIA AND EASTERN PENNSYLVANIA
ORTHODOX CHURCH IN AMERICA

Matushka Sharon Hubiak, CPA

Lead Diocesan Auditor

Gregory Polk

Diocesan Auditor

David M. Yeosock, PE

Diocesan Auditor

The Auditors concluded the third quarter review of the year and would like to offer the following suggestions and/or comments for the Council's consideration:

1. In consideration of our 501(c)(3) status as a non-profit, the Auditors recommend that gifts given from the Diocese to any one individual be limited to the corporately accepted Twenty-Five Dollars (\$25) or less criteria.
2. The OCA in its recent historical past has overspent for large entourages to participate in a myriad of international functions; therefore, travel policy falls under deep scrutiny in our National Church and the Metropolitan Council monitors this expense closely due to past abuses. This has not been the case in our Diocese whose budget historically has had no allowance for international travel. The Diocese should present justification/ cost benefit for hierarchy and or attending clergy to incur cost for representation of our National Church in this milieu.
3. The audit committee recommends clear guidelines be established for mission parishes; reference is also made to the National Church which administers a yearly grant application program by "qualifying/ quantifying" the individual parish needs. With a concise yearly process, the Diocese could decide when a parish is eligible and when a parish ceases to be mission. The auditors bring this to your attention because it appears that some of the largest Churches in our Diocese are receiving the bulk of the mission funding.
4. The audit committee again commends the work of the Treasurer and Diocesan Staff for well prepared financial information provided during our quarterly reviews. We the committee will meet January 9th to finalize the audit for the year.

Respectfully Submitted

January 19, 2019