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Orthodox Church launches financial probe

RICHARD N. OSTLING
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NEW YORK - Confronting serious charges of financial mismanagement, the head of the Orthodox Church in America has authorized a full investigation and ousted his chief aide.

Metropolitan Herman on Thursday dismissed the church's longtime chancellor, Protopresbyter Robert S. Kondratick, who was the chief administrator under Herman at headquarters in Syosset, N.Y.

The 400,000-member OCA, second to the Greek Archdiocese among U.S. Orthodox denominations, has been rocked by allegations from its former treasurer, Protodeacon Eric Wheeler, that church funds were spent on "embarrassing credit card debts," on individuals who "leached off" family members and on unspecified "blackmail" payments.

An OCA announcement said an investigation of "allegations relating to the finances of the church" will be conducted by Proskauer Rose, a major law firm based in New York City. The Rev. Paul Kucynda of Wayne, N.J., the church's acting treasurer since last August, said the firm would probe "the conduct of everyone involved with financial matters of the church, really since 1990."

Wheeler also questioned the accounting for millions of dollars in gifts to the church and said no full, independent audit had occurred since 1996. He named Kondratick and Metropolitan Theodosius, Herman's predecessor who retired in 2002, as the chief perpetrators of "financial corruption."

Wheeler sent these and other detailed allegations last fall to the church's bishops and to the Metropolitan Council, the body of clergy and lay delegates that supervises church finances and administration, but neither body took action. His private memo was leaked and posted in January on <http://www.ocanews.org>, a Web site set up by church dissenters to draw attention to the OCA's financial problems.

A special meeting of the OCA's bishops March 1 had authorized independent audits of church finances for 2004 and 2005 and of special charity collections taken since 2001. But that fell short of demands from priests and lay activists for a full investigation stretching back a decade.

Thursday's actions followed a March 10 letter to Herman and other Metropolitan Council members from eight attorneys in five states who are OCA parishioners. They warned that "failure to insist upon an immediate, full and independent investigation into these allegations is a breach of your legal duties" and that they faced potential personal liability for breach of fiduciary duty under New York state law on nonprofit groups.

Mark Stokoe, a Dayton, Ohio, layman who runs ocanews.org, said "after years of silence, and months of denial, action has finally been taken" that "begins a whole process of renewal in our church."

"There's a whole lot more that has to be done. There's a whole culture that has to be changed. This is a great first step," he said.

