

Procedures for Requesting Congregational Support (Apportionment) Relief

The guiding principles governing apportionment relief decisions are:

1. The Diocese wants to help a church sustain itself and create a more successful future with a goal to consistently help a troubled church determine multiple approaches to help them become a viable entity.
2. The Diocese must ensure that the overall impact of apportionment reductions do not jeopardize its ability to fund operations and ministry.
3. All assets of a congregation should be taken into consideration when determining apportionment relief

Any reduction request must be based on recent and significant changes in the church's financial position. There may be many reasons for these changes including the realization that current spending practices are no longer sustainable.

Requests for relief should include:

1. A description of the recent and significant changes in the church's financial position.
2. Plan to show how this reduction in the apportionment will help the church for the year or longer. Included should be any additional steps being taken to address the financial situation.
3. Copies of financial statements for the past three years
4. Copies of the current budget and descriptions of the assumptions backing the income and expense estimates.
5. If Parochial Reports have not yet been submitted to the Diocese, they must also accompany the request.

What to expect after submission of a reduction request.

If there are questions about the financial statements and parochial reports, the Commission on Finance will have a representative meet with the church to review the church's financial position and help the church address their financial distress.

The Commission on Finance may consider options for apportionment relief based on these reviews. The potential solution alternatives may include a Diocesan loan, DRF grant, reduction in apportionment, a selection of a favorable determining apportionment year, and/or a loss write-off.

Apportionment relief will consist of a recalculation of the apportionment based upon the current operating income (the current year's budget projections). The Diocese will then extend this one-year relief for a second year; after this point, the parish's apportionment will be based on the church's real circumstances as reported in the Parochial report. For example, Church X's relief request for 2025 would be based on the reviewed 2025 budget projections. The 2026-amount of congregational support (apportionment) would also be based on the 2025 financial data. The 2027 amount will be

based on 2025 actuals. This should enable a church to have an opportunity to attain a more realistic, viable future.

Note: all Commission on Finance decisions must be approved by Diocesan Council before they are effected.