

## **Use of Proceeds Discernment and Stewardship Process**

Adopted by Diocesan Council, February 27, 2014

### Background:

This discernment and stewardship process for allocating funds from the Use of Proceeds account builds on the ground work and decision-making that resulted in the process that was approved by Diocesan Council in October 2007, and amended and improved upon in March 2010. That process was repealed by Council in February 2013. At that time, Council also voted to continue allocating 50% of net proceeds from the sale of closed churches to the Fund for Congregational Vitality, and reserve to itself deciding how to spend the remaining 50%. The purpose of this revised process is to improve accessibility to the remaining 50% of funds from such closures, while maintaining the transparency and flexibility that was part of the foundation of the original guidelines.

In the past several years, we have distributed some of the funds for reinvestment in the mission and ministry of our diocese. Yet, the process enacted in 2007 and amended in 2010 proved overly cumbersome and too lengthy to be effective. Since official repeal of that process in February 2013, Council has been able to act more quickly to fund requests. However, there has been repeated concern expressed by Council that the process we are currently following is inconsistent, and risks missing some opportunity for applying a strategic diocesan view and ensuring long-term accountability for the investments that we have been able to make.

This discernment and stewardship process aims to meet the enthusiasm of Diocesan Council for reinvesting in the future of our diocese by offering a way to get these funds working towards God's mission more quickly and consistently.

### Proposed Process:

This streamlined process envisions the Executive Committee making recommendations to Council, and Council discerning how best to invest of the Use of Proceeds funds for the ministry of our diocese. It also relies on the added transparency and fundraising leveraging opportunities offered by posting the proposals and our decisions on the diocesan Web site.

- 1) A new section will be added to the diocesan Web site. This will include information about this process, a Request for Proposal document with instructions for how to submit requests, and an ongoing list of current and past proposals. Responsibility for this Web page will rest with the diocesan staff.
- 2) Proposals may be made by entities subject to the authority of the Diocesan Convention.
- 3) Proposals are submitted to the Council administrator's office and reviewed for completeness. If they are complete and received at least 7 days in advance of the next Executive Committee meeting, they will appear as part of the regular agenda, and the proposals will be included in the Executive Committee's meeting materials. Staff will provide information to Executive Committee about the proposing entities' current level of compliance with diocesan financial and administrative requirements.

- 4) At each regular meeting, the Executive Committee will have the Use of Proceeds fund balance information provided by the treasurer of the diocese, and will incorporate this information in their decision making.
- 5) The Executive Committee will consider any proposed project's viability, consistency with stated funding priorities and input from the diocesan bishop to determine the status of the proposal. Possible decisions at Executive Committee:
  - a. Yes (proposal will go to Diocesan Council for final consideration)
  - b. No (which will be efficiently communicated back to the requestor)
  - c. More information or additional steps requested (further consideration by Executive Committee will occur following these steps). Note: This may include requests to work with diocesan staff to develop the proposal further.
- 6) Diocesan Council will review and make funding decisions on proposals put forth by Executive Committee at least 2 times a year. Generally, one or more proposals will be presented along with discussion at one meeting, followed by votes to fund at the following meeting.
- 7) Proposals may be maintained on the docket for several months before being removed because they are stale, there is insufficient funding or because they have not garnered support or enthusiasm from Council.
- 8) Successfully funded projects will provide at least one annual progress report to Diocesan Council. These may be included on the diocesan Web site.

#### Funding Priorities:

Mindful of the criteria established in previous versions of the guidelines for use of proceeds from the sale of closed parishes, Diocesan Council will prioritize funding for projects that are well thought out, ready to begin and ambitious in vision. Priority will be given to proposals that:

- Implement aspects of the mission strategy of the Diocese of Massachusetts, answering God's urgent call to:
  - o Join God's mission in the world through local or global partnerships
  - o Care for God's creation
  - o Sustain and promote vital and viable congregations
  - o Raise up new generations in faith and service
- Include plans for eventual sustainability beyond the funding requested
- Have identified and/or secured additional sources of funding

#### Administrative Steps:

An ongoing list will be maintained of the requests, with the decisions made about each. The list will be easily searchable on diomass.org, along with the two-page application and the annual reports of the funded projects.

The application will be simple, may be submitted online and will be tailored based on the priorities of the bishop and Executive Committee's decisions. Adapting, editing and updating the application itself will allow for nimble process improvements going forward. Using a standard, short application form will be an important level setting exercise and will allow reviewers and decision makers to compare projects and proposed impacts across the diocese.