



The Episcopal Diocese of Massachusetts

Guidelines for Allocation of Proceeds from the Sale of Diocesan-Owned Property and Closed Churches

Approved by Diocesan Council October 18, 2007

Amended and Approved March 18, 2010

Purpose

To establish guidelines for deciding how the proceeds from property sold by the Episcopal Diocese of Massachusetts will be allocated.

Theological Statement

- Our mandate as people of God is to be responsible stewards of all that God has given us.
- The resources that we have are gifts from God to be used in response to our mission as caretakers of God's bounty.
- The spiritual and material wealth we have are instruments for the care and growth of the church and for the benefit of the people served by the Episcopal Church in Massachusetts, both today and for future generations.
- The distribution of wealth in the diocese is a matter of discipleship in creating and maintaining institutions, programs and congregations for the greater honor and glory of God and the building up and support of the church.

Assumptions

I. There shall be no mandated formula for the allocation of proceeds.

II. All allocations of proceeds from the sale of diocesan-owned property and closed churches shall be evaluated with reference to the situation that predicated the sale, subject to certain guidelines outlined below.

We identified several possible scenarios requiring the use of this policy (noting that this list is not exhaustive):

- A. Diocesan-owned properties
- B. Property bequeathed to the diocese without restriction
- C. Property bequeathed to the diocese with restriction
- D. Church closing and merging with another church[es]—including contents and surrounding property
- E. Church closing and not merging with another church[es]

III. Future generations of parishioners in the diocese have a significant claim on these resources. Efforts should always be made toward allocating a significant portion of the proceeds towards a diocesan endowment that may or may not be use-restricted, as the situation warrants.

IV. We have a responsibility to maintain the 138 Tremont Street facilities.

The Stewardship Process Guidelines

I. The Listening Process Guidelines

A. The Diocesan Bishop shall appoint a standing task force for the stewardship process, consisting of three to five people drawn primarily from Diocesan Council, Executive Committee and staff. The Bishop shall serve *ex officio*. This task force will become the experts in the process and have an overview of overall diocesan mission strategy as related to the use of proceeds.

B. For each property, the Diocesan Bishop will appoint two to four representatives from among each closed congregation, its deanery or the diocese at large who will consult with the standing task force until a proposal is prepared about the use of the proceeds from the property in question. The standing task force and the appointed representatives will become the Stewardship Committee for each property. In addition, the Bishop may appoint, or the task force may invite, experts as needed to consult or participate in committee recommendations.

C. The Stewardship Committee shall evaluate the situation that predicated the closure and sale and shall seek to identify parties with an interest in how the proceeds are allocated.

D. The Stewardship Committee shall meet with interested parties to hear their stories and receive the suggestions from the parish for the use of the proceeds. Proceeds from properties in the same deanery may be bundled. Projects to be considered may cross deanery lines.

E. The Stewardship Committee shall work with the Pastoral Committee or Stewardship Committee of the closing parish, if there is one, or shall on its own seek to explore ways to publicly honor and memorialize the experience of God in Christ that took place at the location in question.

II. The Decision Process Guidelines:

A. All amounts considered shall be net of all expenses incurred by the diocese associated with the closing of the church and the subsequent sale of the property and net of repayment of Stokes Loans, past due assessments, unpaid compensation and benefits obligations and other similar obligations. Estimates of these amounts shall be provided to the Stewardship Committee at the start of its deliberations.

B. The committee shall work within a framework of saving for the future and investing in congregation vitality and viability today. As such, there will be a bias towards allocating up to 50 percent to an endowed fund whose use may be restricted according to terms recommended by the committee. Funds can be drawn annually in accordance with the Diocesan Policy on Endowment Spending.

C. The committee shall also have a bias towards allocating funds back towards vital congregations in the form of grants and loans with significant input from the deanery affected by the sale. While every situation warrants a different response, the committee's bias shall be towards allocating 30 percent of every dollar back to congregations.

D. The committee may allocate seed money for new ministry initiatives (10 percent). New initiatives must be evaluated and approved by the Diocesan Budget Committee in order to be considered by Diocesan Council.

E. The committee may allocate funds for capital improvements to 138 Tremont Street.

F. The committee may allocate funds to increase environmental sustainability and reduce the carbon footprint of parishes and ministries in the diocese.

G. The committee shall present its recommendations first to the full Executive Committee for its recommendation to the Diocesan Council for final approval.