



Episcopal Diocese of Massachusetts

138 Tremont Street Boston, Massachusetts 02111 • 617-482-5800 • www.diomass.org

May 1, 2021

Dear Clergy, Convention Delegates, and Congregation Treasurers,

At the last Diocesan Council meeting, Council approved the assessment formula for 2022. The formula this year differs from previous years in that it is based on Operating Income (Line A) instead of Operating Expenses. One of our objectives was to lighten the load on congregations with few financial assets and make a more gradual slope of percentages as assets increase. Furthermore, it is theologically aligned with our stewardship teaching concerning the “first fruits” orientation towards proportional giving, and it is more in line with how The Episcopal Church and most of our sister dioceses calculate assessments.

There are a few congregations that will see a large increase in their assessment as a result of the change to using operating income as opposed to operating expenses. Some of these increases are likely due to a congregation’s financial information in their 2019 parochial report figures being reported incorrectly -- for example, donations for capital expenditures, bequests or investment returns not used for the operating expenses, may have been included in Line A. The assessment formula includes a small reserve so that these congregations’ assessments can be adjusted.

The 2022 assessment formula is:

Where BASE for 2022 is equal to line A (“Normal Operating Income”) from the 2019 Parochial Report, less line 13 (“Outreach from Operating Budget”), the 2022 assessment will be calculated at 0.50% for the first \$50,000 of BASE, 8.0% for the next \$50,000 of BASE, and the balance of BASE (e.g., BASE - \$100,000, if this value is non-negative) shall be assessed using the following rates:

If BASE is \$100,000 to	\$249,999	13.65%
If BASE is \$250,000 to	\$499,999	13.85%
If BASE is \$500,000 to	\$999,999	14.25%
If BASE is \$1,000,000 to	\$1,999,999	14.50%
If BASE is \$2,000,000 and up		14.75%

The diocesan assessment listing for 2022 includes the amount proposed for each congregation and can be found at <https://www.diomass.org/inside/docs/assessments>. The proposed assessments will guide the work of the 2022 Budget Committee. The 2022 budget and the entire list of 2022 assessments will be placed before the annual session of Convention for approval on November 12-13, 2021.

Please forward this information to your financial committees. This serves as notice of your assessment amount for 2022.

The Diocesan Council recognizes there may be circumstances where adjustment to the 2022 assessment may be warranted due to changes in circumstances. To address such circumstances, the Council's Assessment Coordinating Committee will review and respond to inquiries about the 2022 assessment. The application for a review can be found at <https://www.diomass.org/inside/docs/assessments> and should be submitted to the committee as soon as practical, but no later than June 12, 2021.

In addition, as noted above, a small number of congregations' 2019 parochial reports may have incorrectly reported financial information, leading their 2022 assessment to be higher than it should have been. If a congregation wishes to request a review of the figures used in the calculation, please email all relevant information to parochialreports@diomass.org using the spreadsheet that can be found at <https://www.diomass.org/inside/docs/assessments>, again as soon as practical, but no later than June 12, 2021. This review will be completed by the diocese's finance staff.

This comes with thanksgiving for the faithful witness of each of our congregations and for the good work, especially in these unprecedented times, that we accomplish together through our common ministry.

Our prayers are with each of you as we look forward to the resolution of the public health crisis affecting the world.

Sincerely,



Theodore Ts'o
Diocesan Treasurer



Cynthia Hallenbeck
Interim Chief Financial Officer