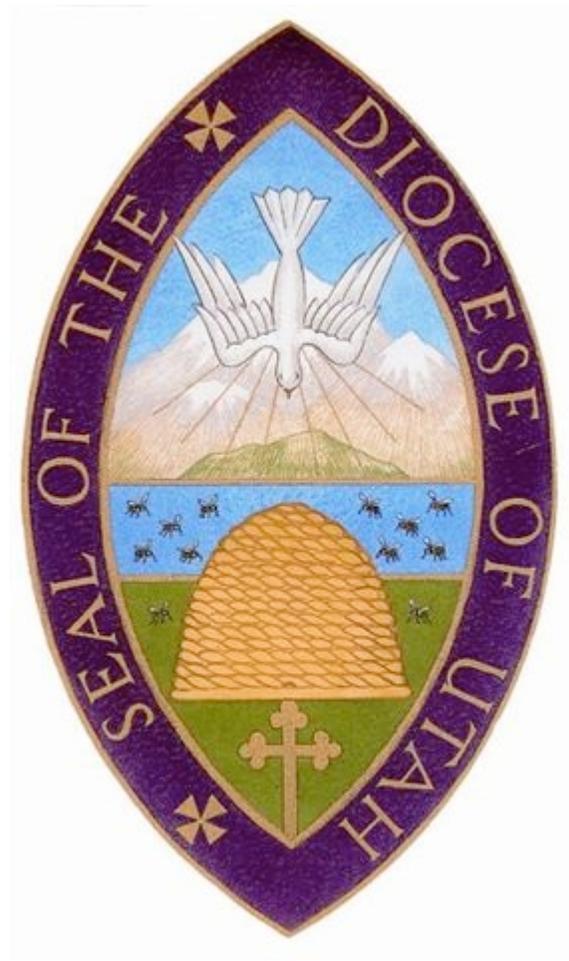


Policy on The Diocesan Budget



The Right Reverend Scott B. Hayashi, Eleventh Bishop of Utah
Policy Number: B001
Revision Number: 1
Approved by the Bishop and Diocesan Council: October 2013



The Episcopal Diocese of Utah Policy on The Diocesan Budget

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October, 2013 Rev 1

PURPOSE

This policy details the procedures and schedule of the preparation of the annual budget of the Episcopal Diocese of Utah. It applies to the Diocese, each of its congregations and ministries, Diocesan Council, the Finance Committee, and the Grants Committee.

POLICY

The development of the Diocesan budget is a complex and time-consuming task. It is important that not only the leadership, but those who are affected by the budget participate in its development. The budget and funding of the Diocese are intentionally open to input and review by any entity of the Diocese, though the ultimate decisions on its implementation rest with the Bishop and Diocesan Council.

1. The allocation and use of funds from congregation assessment, as provided for in the Diocesan Canons, is included as part of the Budget process. A decision regarding the formula for assessment rests with Convention.
2. The operating costs of Diocesan ministries (Youth, Camp Tuttle, Campus Ministry, Latino Ministries, Native American Ministries, Christian Education, and Recovery Ministries) are included in the Diocesan operating costs.
3. The Finance Committee will create and distribute standard, pre-formatted documents to be filled in by Congregations and Ministries in the budget process. Those forms are attached to this policy when approved and may be changed as necessary.
4. Council will establish and fund a Budget Consultancy to work with Congregations and Ministries on the budget and grant processes. Membership of the Consultancy should be small in number, knowledgeable, and not limited to the Council and Finance Committee members.
5. Council will establish and fund a Grants Committee separate from the Finance Committee. The Grants Committee should be broadly representative of the Diocese and will work within the guidelines of the Policy on Grants.
6. Each February, the Council will sponsor and fund informational meetings for Congregations and Ministries. Those meetings, conducted by the Budget Consultancy, will provide specific guidance on requirements for participation of those Congregations and Ministries in the budget process. Council should consider having these meetings on a Regional basis.
7. At the March Council meeting, the Finance Committee will provide estimates of projected income and the projected cost of all Diocesan operating expenses (personnel costs for office staff, ministry staff, and clergy, canonical requirements, building operating expense, office operating expenses, etc.). The estimates will also include an estimate of the amount of money available for special expenses.



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8. The congregations should understand that the operating budget projections they provide in March are intended to be estimates only and may be adjusted later. The consultancy will be available to provide technical help in preparing the budget projections.
9. The Finance Committee is encouraged to provide a contingency in its draft budget. This would leave room for changes closer to the end of the budget process. Any unallocated fund in the final budget could be held for the Council to fund unexpected/new costs in the budget or provide a reserve during the budgeted year.
10. The Finance Committee's budget presentation at the August Council meeting will not focus on line items, but will provide an overall view of the draft budget. The Council can then request changes to the relative allocation of funding for Cornerstones, canonical requirements, and operating expenses. Congregational operating grants are included in the Diocesan Leadership Cornerstone.
11. The Finance Committee's budget presentation at the September Council meeting will include recommended line items. At this point the Council can fine-tune the budget.
12. The final budget will be presented for approval at the October Council meeting.
13. The Budget Schedule can be found at Appendix A to this policy. It will be modified and published on a yearly basis and will reflect the demands of the liturgical year, as appropriate.



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APPENDIX A

Budget Process Timeline

Date	Council	Finance Committee	Grants Committee	Congregations/ Ministries
Early-February	Provide Consultancy Members to work with Finance Committee on workshop.	Hold information workshop for Treasurers/Wardens/ Priests/Ministry heads to explain budget and grant process, to hand out pro forma templates and to answer questions.	Attend workshop.	Attend workshop.
Mid-March		Congregational assessment figures known (from previous year's parochial reports).		
March Council meeting	Receive information from Finance Committee.	Provide estimate of projected income (from Trust and congregational assessments), and projected basic operating costs for the Diocese. Request Council input on priorities for special funding.		
Last working day of March		Receive congregations' projected operating budgets.	Receive congregations' projected operating budgets and operating grant requests.	Congregations provide projected operating budgets (including income) and operating grant requests to the Minister of Finance for distribution.



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Date	Council	Finance Committee	Grants Committee	Congregations/ Ministries
April	Receive draft recommendation from Grant Committee on congregations' operating grants. Provide the priorities for special funding to Finance Committee (information only) and Grants Committee.	Provide budget projections on income available for all grants to the Grants Committee. Receive Council input on priorities for special funding.	Provide draft recommendation to Council on congregations' operating grants. Receive from Council priorities for special funding.	
Last working day of April				Provide to requests for special grant funding to Finance Committee (information only) and Grants Committee.
May		Work rough draft of whole budget. Base operating costs may continue to change. Special costs can only be roughly figured at this point.	Hold open meeting for applicants to present their grant requests.	Attend and present grant requests to Grants Committee.
May and June		Continue working on rough draft of budget.	Present draft recommendations on all grants to applicants and Finance Committee.	
End of July		Perpetual Trust distribution figures		



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Date	Council	Finance Committee	Grants Committee	Congregations/ Ministries
		known.		
July/August		Reconcile Grants Committee recommendations with draft budget. Send 'big picture' information on draft budget to Council.		
August Council meeting	Review rough draft and provide response to Finance Committee.			
August/September		Reconcile Council comments and create formal draft budget. Send to Council.		
September Council meeting	Review formal draft and provide further response to Finance Committee.			
September/October		Create final draft budget. Send to Council.		
October Council meeting	Approve final budget.	Notify applicants of approved budget, including grants to congregations.		
Convention	Present approved budget.			
NLT November		Provide breakdown of assessments, clergy cost reimbursement, and grants.		