

## EPISCOPAL DIOCESE OF NORTH DAKOTA OUR FAIR SHARE GUIDELINES

One of the sources of income to support the work of the Diocese of North Dakota is Our Fair Share payments from the congregations.

- I. **Our Fair Share Basis:** Our Fair Share payments are based upon a percentage of the congregation's operating revenues, as defined, in part, by the Annual Parochial Report of the National Church.
  
- II. **Percentage Amount:** The percentage of operating revenues shall be reviewed each year by the Diocesan Finance Committee, which shall make a recommendation to the Diocesan Council for final approval by the Convention.
  
- III. **Operating Revenues:**
  - A. Operating Revenues include:
    1. **Plate Offering:** Loose offerings, which are unpledged and unrestricted by the donor. Include Easter, Christmas, etc., if for general purposes. If the congregation chooses to designate loose plate offering for a special purpose, such as the rector's discretionary fund, the donors should be made aware of that intent when the offering is taken.
    2. **Pledge Payments:** All amounts in regular pledge offerings, as well as recurring check payments which evidence commitment to the support of the congregation from persons making no specific pledge.
    3. **Donations from Congregation Organizations:** Unrestricted receipts from any parish/mission group, such as church school, ECW, men's groups, etc., and receipts restricted for congregation operating expenses and the Diocesan and General Church Program.
    4. **Investment and Endowment Income (Net) Used for Operating Expenses:** Net dividends, interest, and earned capital gains (earnings less any investment charges) used for operating expenses and/or the Diocesan and General Church Program.
    5. **Principal Used for Operating Expenses:** Principal from investment funds used for operating expenses and the Diocesan and General Church Program.
    6. **Other Income:**
      - a. Unrestricted/undesignated gifts or memorials used for parish/mission operating expenses or the Diocesan and General Church Program.
      - b. Memorials and gifts restricted by the donor or designated by the governing body for operating expenses or the Diocesan and General Church Program.
      - c. Net income from cemeteries, fundraisers, and rental property which is used for operating expenses or for the Diocesan and General Church Program. Youth fundraising programs are exempt.

B. Operating revenues do NOT include:

1. **Assistance from Diocese:** Diocesan support for the parish/mission budget, clergy salaries, and other operating expenses.
2. **NDEF Grants:** Grants from the North Dakota Episcopal Foundation or outside sources for operating or special purpose expenditures.
3. **Capital Funds Contributions:** All contributions, pledged or otherwise, restricted by the donor or designated by the governing body for the purpose of land, buildings, construction, major repairs, or for major projects or expenditures.
  - a. Major repairs are defined as those which expand or significantly alter the existing building or buildings, or extend the useful life of facilities, existing structures, or integral equipment more than ten years.
  - b. As a general rule, a major expenditure is one that costs \$500 or more and has a life of three or more years.
2. **Principal Additions to Trust and Endowment Funds, Local Church Foundations, or Gifts to Create a New Fund:** Principal additions to the capital of an existing fund or gifts used to create a new fund, other than a fund restricted/designated for operating expenses or the Diocesan and General Church Program.
3. **Investment and Endowment Income used for Special Purposes:** Net dividends, interest, and earned capital gains not used for congregation operating expenses and the Diocesan and General Church Program.
4. **Restricted Offerings & Gifts for Purposes Outside the Church Program:** Offerings and gifts restricted by the donor for purposes other than operating expenses or the Diocesan and General Church Program. Examples of special offerings are those for clergy discretionary funds, United Thank Offering, Episcopal Relief and Development, etc.
5. **Income Used to Purchase Altar Flowers:** The Diocesan Council voted to exclude income used to purchase altar flowers from Our Fair Share.

II. **Payments Due:** Payments are due each month, with the prior month's payment due by the tenth of the following month. Payments shall be accompanied by one completed copy of the Our Fair Share Worksheet and one copy of the Treasurer's Monthly Report.

III. **Payments less than OFS Percentage:** If a congregation is unable to make payments equal to the percentage rate set by the Convention, the Vestry/Bishop's Committee shall submit a written request to the Diocesan Council for an adjustment of their payments.

*Adopted by Diocesan Council 11 March 1995; effective 1 January 1996; amended in 2005.*

## APPENDIX

**Operating Revenues:** Funds received for the normal operation of the church. See Items III.A.1.-6.c. for specific kinds of revenue included.

**Operating Expenses:** Expenditures normally budgeted for the operation of the church, including salaries & benefits, utilities, repairs and minor improvements, taxes, insurance, rent, loan interest, office supplies & expenses, church school supplies & expenses, committee & other parish administrative expenses, communications, music, altar supplies, etc.

**Diocesan and General Church Program:** Your church's proportionate share of the cost of the programs of the Diocese and, in turn, the programs of the National Church through the Diocese's payments to that larger organization.

**Our Fair Share Percentage:** Percent of the church's operating revenues paid to the Diocese for its support, currently 20%.

**Restricted Funds:** Funds set aside by the donor to be used for a specific purpose.

**Designated Funds:** Funds **not** restricted by the donor, but set aside by the governing body for a specific purpose.