Diocesan Report

To be filed online at:
https://reports.dfms.org

2025 Filing Instructions

Canon I.5.4 and Canon I.4.6(j)-(k) ask each diocese to file a report to help provide

"An Accurate View of the State of the Church"

Thank you for helping with this important work!

Introduction

The Diocesan Report is a two-part report to be completed by each diocese to Executive Council of The Episcopal Church. It is to be filed online on the DFMS Filing website at https://reports.dfms.org between **April 15th – September 1st**. Part 1 and Part 2 can be filed separately or together any time before September 1st.

- Part I: Report of Congregations
- Part II: Report of Operating Income
- Part II: Stewardship and Financial Information Continued

If you require access and do not have access to the diocesan report on the DFMS Filing website, please contact The General Convention Office at dr@episcopalchurch.org.

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Diocese Profile

The *Diocese Profile* page can be updated at any time outside of the deadlines. Before you begin the report, please review and update any contact information and general information. Fields have been added for members of diocesan leadership, such as the Secretary of Convention and President of the Standing Committee. We communicate with these individuals regarding matters related to General Convention and the election of bishops. It is very helpful to have up-to-date and accurate information here. Thank you!

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Part I: Report of (New and Closed) Congregations

Be sure to report all changes to congregations in 2025. Changes reported here will be reviewed and sync with the next filing year of the Parochial Report.

Summary of Congregations. Enter here the total number of congregations at the beginning of the year (January 1, 2025) as well as any new and closed congregations during 2025. Line D will calculate your total for the end of the year (December 31, 2025). Be sure to include the detail information of changes in the following section.

In the next section, include the date (MM/DD/YY) and reasons for the change (low membership, inadequate funds, merged with another parish, the parish or mission closed after a large portion of the congregation left the church, etc.).

Preparation for Part I of the Diocesan Report. Indicate who prepared Part I of the report. This helps us to contact the appropriate person, should we have questions.

Mark Complete. Once your information is final and has been reviewed, we ask that you mark part 1 complete.

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Part II: Report of Operating Income with a copy of the Audited Financial Statement and adopted Budget for 2025

The Diocesan Report of Operating Income has been updated to accommodate currently accepted FASB guidelines. The financial report is now a simplified reconciliation and summary report of revenue used for normal operating expense.

Preparation for Part II of the Diocesan Report. Indicate who prepared Part II of the report. This helps us to contact the appropriate person, should we have questions. Additionally, on the *Preparation* tab for Part 2, please indicate whether the annual financial statement for the current report year is attached. If not, please indicate when you expect to receive it. We also ask to attach the Adopted Budget for the current report year. Be sure to indicate when we can expect it if not submitted with the report.

Please note if the financial statement is not ready by September 1st., you should still file a completed Part II of the Diocesan Report and indicate on the form when you will send the financial statement. The treasurer/finance officer or controller may complete this report separately and attach it to the diocese's consolidated audit report or request that the auditor(s) complete the form for the finance officers' review and signature.

A General Guideline for this report:
In determining operational income, all unrestricted, restricted or designated income, trust or endowment which is used for the normal operating budget of the diocese (adopted at diocesan convention) should be reported as operating income. This is all income reported on the consolidated audited financial statement plus or minus the adjustments indicated on page 2 of part 2 (Revenue used for Operations).

Line-by-line guidelines: Diocesan Report of Operating Income

Pledge Payments from Congregations:

Report: All funds reported from Congregations in Column 1. Funding may be called assessments, quotas, fair share, askings, pledge of income, etc. to the diocese. Include any assessments or reimbursement billings for payroll and insurance paid on behalf of congregations.

> ***Deduct:*** Any adjustment for bad debt included in reported funds, such as unfulfilled pledges or assessments reported as expense on accrual basis financial statements (column 2, Adjustments).
>
> ***Deduct:*** Any pass-through income, such as payroll or insurance payments included in pledge payments and paid out by the diocese on behalf of congregations (column 2, Adjustments).
>
> ***Do not deduct:*** Income from pledge payments that is used to subsidize missions or other congregations, including support for parish clergy. If a congregation is partially aided, the portion of the overall support that is contributed by the congregation to the diocese as a pass-through for the support may be deducted.
>
> The net support from congregations for diocesan operations and program budget is entered in column 3 (Adjusted Amount), section I of the report.

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Contributions from Organizations

Report: Revenue items received from diocesan organizations (e.g., ECW) and/or entities for support of the operating budget of the diocese (in column 1), *less* any amounts paid by the diocese on behalf of/or for the benefit of the same organizations or entities (in column 2). Enter the adjusted amount in column 3.

> Example: An organization contributes $10,000 of its income for the Diocesan Operating Budget, plus it reimburses the Diocese $20,000 for the salary paid by the Diocese for the organization's staff. $30,000 would be reported in column 1; ($20,000) would be reported in column 2; and $10,000 (net operations income) would be reported as the adjusted amount in column 3.

Investments Used for Operations:

Report: Income, and/or principal, any realized gains or losses, *transferred to the operating budget* from trusts or endowments for operating purposes (enter in column 1). Do not report net gains or losses to your endowment. Also, do not report the total corpus of your endowment or investments. Only report funds from your endowment, investments or trusts used for operations in 2025.

> ***Add***: any income, and/or principal, any realized gains or losses, *paid directly* from Trust or Endowment Funds *for operating purposes* (enter in column 2).
>
> ***Deduct:*** amounts added (or returned) to investment or endowment balances in column 2 from operating budget.
>
> Enter adjusted amount in column 3.

Unrestricted Gifts and bequests

Report: All funds received, or any portion of gifts and bequests used for operating purposes.

> Example: $30,000 is received from an unrestricted bequest. $10,000 is used to fund the operating budget, $20,000 is invested in endowments, and $10,000 is reported as operating income.

Other Operating Income:

Grants received, and any other income used for the Diocesan Operating Budget not noted elsewhere less any costs incurred or paid for by the diocese.

Rental of property income		$	_____	Include V. a.
Less: direct expenses	-	$	_____	Record this on V. c.
Net rental income	+	$	_____	

Column totals should balance across totals row and down column 3. The total adjusted operating income is actual income used for operating expenses.

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The most common normal operating expenses that relate to operating income

I. Salaries (Include housing and Social Security allowances): bishops, executive business staff and officers, program staff, support staff, etc.

II. Pensions

III. Employee Social Security expense

IV. Employee insurance benefits: health, dental, life insurance, etc.

V. Travel expenses, which includes business use of company provided vehicles

VI. Moving expenses, cost of employee search including bishop's election and consecrations

VII. Office expenses: telephones, utilities, printing, supplies, subscriptions, internet fees, etc.

VIII. Rental or lease costs

IX. Insurance: property, worker's compensation, fidelity bond, D&O, etc.

X. Commission on Ministry, Executive Board or Council, diocesan conventions, deputy convention expenses and program committee expenses and reimbursements, etc.

XI. Audit and legal expenses

XII. Episcopal church covenant and province assessment payments

XIII. Communications: diocesan newspapers, pamphlets, etc.

XIV. Budgeted program costs: Christian social ministry, youth programs, ecumenical mission and congregational support, stewardship, Christian education, human needs, evangelism, new work, chaplaincies, etc.

XV. Direct support for organizations and entities: diocesan camp and conference centers, cathedrals, etc.

XVI. Budgeted capital expenditures should be adjusted out.

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Part II: Stewardship and Financial Information Continued

The information collected through these questions will provide valuable insight into diocesan assessment practices, financial reporting requirements, and emerging opportunities and challenges. Please review the instructions provided for each question and respond as thoroughly as possible. Most questions require a simple Yes/No response, while others provide space for additional details and comments. We appreciate your time and participation.

Question 1: What is the diocesan formula for assessments/apportionment?

Please describe the method used to calculate assessments or apportionments for congregations. If available, include the percentage, financial metrics used, and any adjustments, exemptions, or special considerations that apply.

Question 2: Does the diocese use the parochial report financial data in determining diocesan assessments?
Please answer Yes or No.

Select "Yes" if Parochial Report financial data is used in whole or in part to calculate assessments. Select "No" if it is not used.

Question 3a: Do you require additional information or a supplemental form as part of parochial report filing?
Please answer Yes or No.

Select "Yes" if congregations are required to submit information beyond what is included in the standard Parochial Report. Select "No" if no additional information is required.

Question 3b: If yes, what information is requested?

Please describe the additional information, forms, schedules, financial reports, or supporting documentation that congregations are required to submit. If Question 3a was answered "No," please skip this question.

Question 4: Has there been an increase in the number of congregations in arrears on assessment/apportionment?
Please answer Yes, No, or N/A.

Select "Yes" if the number of congregations in arrears increased in 2025 compared to the previous year. Select "No" if there was no increase. Select "N/A" if this information is not available or not applicable.

Question 5: How many total congregations in arrears in 2025?

Please enter the total number of congregations with outstanding assessment or apportionment balances as of the end of 2025. If the exact number is unavailable, provide your best estimate.

Question 6: What opportunities and challenges did the diocese face in 2025?

Please share any significant opportunities, successes, challenges, or trends that affected assessment collection, diocesan finances, parish finances, stewardship, membership, or other areas of diocesan operations during 2025.
There is no character limit. Please be sure to save your text periodically.

Mark Complete. Once your information is final and has been reviewed, we ask that you mark part 2 complete.

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This concludes the Instructions for the 2025 Diocesan Report

Accounting Manual: The accounting policies and practices to which the Episcopal Church subscribes as a religious not-for-profit organization are described in the Manual of Business Methods in Church Affairs. To download it, go to: https://episcopalchurch.org/manual-business-methods

Questions or Comments: For questions regarding **reporting of new and closed congregations** contact Iris DiLeonardo, Data Specialist and Meetings Assistant, at 212-716-6159 or reports@episcopalchurch.org.

For questions regarding **reporting of revenues or expenditures** contact the General Convention Treasurer, Mr. Kurt Barnes, at (212) 922-5296 or kbarnes@episcopalchurch.org.

If the audit and adopted budget is not complete as of September 1, 2025, please email the completed form and indicate online on the "preparation" page when the audit will be received. Email it to reports@episcopalchurch.org

Retain copies of the reports for your records. Please make as many copies of the reports as you need for your records. Note, that you will be able to download a completed report for your records as well as access previously submitted reports. Since the filing site is new as of 2018, reports submitted prior to 2018 will need to be requested by emailing reports@episcopalchurch.org.

Forms and Instructions: Forms and instructions are available in PDF on the General Convention website at Forms and Instructions — The General Convention of The Episcopal Church.

Submitting a Diocesan Report: The Diocesan Report must be filed online on the DFMS Filing website at https://reports.dfms.org. Forms are available for drafting your information, but data must be entered online before the deadline on September 1. If you're submitting a late report after the site has closed, please use the PDF form, and email your late report to reports@episcopalchurch.org.

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