



The
Episcopal Diocese
of New York

Strategic Planning Process The Episcopal Diocese of New York Report and Proposals

September 12, 2016

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INTRODUCTION AND TIMELINE

The report you are reading is the result of a year-long effort involving, so far, more than seven hundred members of the Diocese of New York. Their reflections and work have shaped the Strategic Planning Process, the fruits of which we now present to you.

At the November 2014 Convention of the Diocese, Bishop Dietsche announced his intention to initiate a strategic planning process within the diocese following the 2015 General Convention of The Episcopal Church. In August he began conversations with two consultants, the Rev. Gay Jennings and Mr. Steve Smith, who had facilitated a somewhat similar effort in another diocese to good result. Those conversations shaped a rough process and tentative objectives.

INITIAL OBJECTIVES OF ENGAGEMENT

1. Identification of opportunities, strategies, and vision that position the Diocese of New York to engage God's mission in ways that are sustainable, innovative, and accessible.
2. Revision or replacement of the 1970 Mission Statement.
3. Review of the diocese's governing bodies and practices with recommendations for improvements that would advance God's mission in the diocese.
4. A common understanding of the marks of a healthy congregation.
5. New ways of helping congregations to address their futures.
6. A model diocesan budget that reflects the stated mission and is affordable and understandable.
7. A revised and widely supported assessment formula.

INITIAL WORK PLAN

Phase #1 – Data Collection and Organization Assessment

- ❖ Assemble and review existing relevant material including diocesan Canons, Convention journals, financial statements and budgets, information on diocesan policies and programs, and current organizational structure.
- ❖ Meet with and conduct in-depth in-person interviews with the bishop(s); the bishop's senior management staff; and an Advisory Group appointed by the bishop.
- ❖ Conduct in-depth in-person interviews with selected diocesan leaders (15-20).

Phase #2 – Expanded Data Collection throughout the Diocese

- ❖ Conduct three regional focus groups.
- ❖ Administer Organizational Culture and Organizational Effectiveness Inventories for 250 persons in order to assess the current organizational culture of the diocese, the hoped-for ideal organizational culture which will further mission and ministry in the diocese; and factors contributing to or hindering diocesan effectiveness.

Phase #3 – Analysis of Data and Development of Recommendations

- ❖ Analyze all data – interviews, focus groups, and inventories.
- ❖ Formulate preliminary recommendations for review by Bishop Dietsche, persons designated by Bishop Dietsche, and the Advisory Group.
- ❖ Revise recommendations as appropriate.
- ❖ Conduct three regional focus groups for testing and improving of hypotheses and recommendations.

Phase #4 – Presentation and Implementation

- ❖ Refine recommendations and develop steps for implementation.
- ❖ Finalize recommendations for presentation at 2016 Diocesan Convention.
- ❖ Write final report.

The work plan was intended to be organic, and it was. Both the process and the objectives morphed as the plan unfolded. The abundance of talent and energy we found on the Advisory Group, for instance, led to a much more active role for its members than we'd envisioned, so much so that the consultants wound up advising the advisory group rather than vice versa. Another learning was that there is not wide support for changing the current assessment formula, especially compared with any alternatives, making it unnecessary and unwise to rush to modify it. Similarly, attempts at a new mission statement for the diocese weren't ringing true. Bishop Dietsche concluded one discussion on this topic succinctly: "The Gospel is our mission statement. I think that's all we need."

Still, we wind up in this report at a place reasonably close to where we were aiming when we started out. The fruits of the process take three forms:

1. Recommendations regarding the administration of the diocese.
2. Resolutions proposed for action at the 2016 Diocesan Convention.
3. Changes to the Canons of the diocese, also proposed for action at the 2016 Diocesan Convention.

Here is how we got there.

In October, the consultants met with Bishop Dietsche and conducted individual interviews with Bishop Shin and eighteen members of the bishop's staff. The Advisory Group of twenty-eight persons was constituted and met with the consultants to review the objectives and work plan.

In November and December, the consultants conducted individual interviews with about twenty diocesan leaders.

In January, three hundred members of the diocesan community (lay leaders, bishops, staff, deacons, and priests) were invited to participate in on-line surveys about the organizational culture of the Diocese of New York. The *Organizational Culture Inventory*®, administered by Human Synergistics, Inc. (www.humansynergistics.com), is a tool used by organizations to quantify, envision, and work toward their ideal organizational culture based on shared values and beliefs. The ideal culture is used as a benchmark against which the actual organizational culture can be compared. The *Organizational Effectiveness Inventory (OEI)* measures organizational effectiveness and identifies appropriate levers for change to enhance strategies for mission.

In February, results and learnings from the interviews and from the surveys were presented to Bishop Dietsche. Based on their findings to date, the consultants made three recommendations to Bishop Dietsche: 1) to formalize a Bishop's Executive Team and regularize its meetings to assist in the management and administration of the Diocese; 2) to establish and fill a Human Resources Officer position in order to implement a variety of "best practice" processes to fully empower the talent on the bishop's staff and to be a resource to congregations seeking human resources expertise and advice; 3) to reexamine the financial and administrative relationships between the Diocese and the Cathedral.

Also in February, the Advisory Group met for the second time. The consultants presented the survey results and, importantly, the Advisory Group organized itself into three task forces, each of which would drive toward specific objectives of the engagement.

- ❖ **Task Force A (Governance and Diocesan Structures)** chaired by the Rev. Bradley C. Dyche to review the diocese's governing bodies and practices with recommendations for improvements that would advance God's mission in the Diocese of New York.
- ❖ **Task Force B (Congregations)** chaired by the Rev. Claire A. Woodley to discern a common understanding of the marks of a healthy congregation and to suggest new ways of helping congregations to address their futures.
- ❖ **Task Force C (Financial Matters)** chaired by the Rev. Matthew H. Mead to consider the diocesan budget and the current assessment formula.

In March and April, the task forces met multiple times to do research, to discuss learnings, and eventually to prepare draft recommendations. In late April, Bishop Dietsche made the Strategic Planning Process the center of the annual Priests Conference, and the one hundred and seventy-five priests who attended, heard and responded to the draft recommendations.

In May, the task forces shared their work with interested lay persons in four listening sessions in the Bronx, Manhattan, Poughkeepsie and Tarrytown. Also in May, the consultants presented the work of the task forces to the Wardens' Conference and to an assembly of the deacons of the diocese. All told, nearly six hundred persons attended these meetings. At each one, written feedback about the draft recommendations was solicited. Said feedback was compiled, summarized, and provided to Bishop Dietsche and to the respective task forces.

In June the Advisory Group met again, and the task forces went to work on refining their recommendations based on the aforementioned feedback. They provided their final reports to the consultants at the end of June.

It is July as we write this. We are collating and checking for consistency the three reports into one comprehensive document and we are assisting to create the language for resolutions and canonical amendments for consideration by the 2016 Diocesan Convention. From here, the plan is for a draft report to go to Bishop Dietsche and his Executive Team, to Chancellor George Wade, and to the Advisory Group. From there, it will be posted to the diocesan website for review and comment by anyone interested. The Advisory Group will meet one more time in September to consider the feedback received and to finalize the report which will be presented for discussion at pre-Convention hearings.

It has been an honor and a privilege to work with so many gifted and committed people who love the Diocese of New York and are deeply committed to a common vision of mission and ministry in the name of Jesus Christ.

The Rev. Gay C. Jennings and Mr. Steve Smith

Strategic Plan Advisory Group Members, Task Forces, and Consultants

Task Force A – Governance and Diocesan Structures

The Rev. Bradley C. Dyche, chair	St. Augustine’s Church, Croton-on-Hudson
The Rev. Roy A. Cole	St. John’s Church, Staten Island
The Rev. Dr. Gawain F. de Leeuw	St. Bartholomew’s Church, White Plains
The Rev. Deacon Gail Ganter-Toback	St. James’ Church, Hyde Park
Mrs. Robin Ingram	St. John’s (Fountain Square), Larchmont
Mr. W.B. McKeown	The Cathedral Congregation of St. Saviour
Mr. George J. Wade, Esq.	St. James’ Church, Manhattan

Task Force A members have served, serve at, regularly attended, or have been affiliated with the following congregations and communities in the Diocese of New York:

Mid Hudson Region

St. James’ Church, Hyde Park

Region 2

St. Augustine’s Church, Croton-on-Hudson
St. Bartholomew’s Church, White Plains
St. John’s Church (Fountain Square), Larchmont
St. Mark’s Church (Nepera Park), Yonkers
St. Paul’s Church, Yonkers

New York City

The Cathedral Congregation of Saint Saviour
St. James’ Church
St. John’s Church, Staten Island

Task Force A members serve or have served on the following committees, commissions, and organizations or held the following positions in the Diocese of New York:

- ❖ Commission on Congregational Development
- ❖ Commission on Ministry
- ❖ Committee on Canons
- ❖ Committee to Elect a Bishop
- ❖ Diocesan Board of Examining Chaplains
- ❖ Diocesan Council
- ❖ Diocesan Task Force on Socially and Environmentally Responsible Investing
- ❖ Diocese of New York, Chancellor
- ❖ Diocese of New York, Deans
- ❖ Diocese of New York, Episcopal Relief and Development Coordinator
- ❖ Episcopal Charities, Advisory Committee
- ❖ Episcopal Charities, Board of Directors
- ❖ Episcopal Charities, Grants
- ❖ General Convention, House of Bishops & House of Deputies Secretariats

- ❖ Mid-Hudson Interparish Council
- ❖ Richmond Clericus and Richmond Interparish Council
- ❖ Search Committee for Chief of Finance and Operations
- ❖ Standing Committee
- ❖ Trustees of the Diocese of New York

Task Force B – Congregations

The Rev. Claire A. Woodley, chair
The Rev. Luis Barrios, PhD, STM

The Rev. Theodora N. Brooks
Ms. Gina Brown
The Rev. Dr. Pierre André Duvert
The Rev. Canon Jeffrey Gollhofer, PhD
The Rev. Stephen Harding
The Rev. Matthew F. Heyd
The Rev. Brenda Husson
The Rev. Gabriel Lamazares
Mr. John D. Lent
Br. Luis Antonio Rivera-Rivera

The Rev. Filomena Servellon

St. Mary's Church, Mohegan Lake
Grace Church and La Gracia, White Plains
John Jay College of Criminal Justice
St. Margaret's Church (Longwood), Bronx
St. Peter's Church, Manhattan
St. Luke's Church, Bronx
St. John's Memorial Church, Ellenville
St. Peter's Church, Manhattan
The Church of the Heavenly Rest, Manhattan
St. James' Church, Manhattan
The Church of St. Luke in the Fields, Manhattan
The Parish of Christ the Redeemer, Pelham
The Cathedral Congregation of St. Saviour,
Manhattan
Holy Cross Church and Santa Cruz Mission,
Kingston

Task Force B members have served, serve at, regularly attended, or have been affiliated with the following congregations and communities in the Diocese of New York:

Mid Hudson Region

Holy Cross Church and Santa Cruz Mission,
Kingston
Iglesia Virgen de Guadalupe, Poughkeepsie
St. Andrew's Church, Beacon
St. John's Memorial Church, Ellenville
The Church of the Holy Innocents, Highland Falls
and St. Mark's Chapel, Fort Montgomery

Region II

All Saints' Church, Briarcliff Manor
Grace Church and La Gracia, White Plains
St. John's Church, New City
St. Joseph of Arimathea Church, White Plains
St. Mary's Church, Mohegan Lake
St. Peter's Church, Peekskill
The Church of St. Barnabas, Irvington-on-Hudson
The Church of St. Mary the Virgin, Chappaqua
The Parish of Christ the Redeemer, Pelham

New York City

All Angels' Church
St. Ann's Church, Bronx
St. Luke's Church, Bronx
St. Margaret's Church (Longwood), Bronx
St. Mary's Church, Manhattanville
St. Peter's Church
The Cathedral Congregation of St. Saviour
The Church of the Heavenly Rest
The Church of St. Luke in the Fields
Trinity Church

Task Force B members serve or have served on the following committees, commissions, and organizations or held the following positions in the Diocese of New York:

- ❖ Anglican Communion Office at the United Nations, Program Director for the Environment and Sustainable Communities
- ❖ Budget Committee
- ❖ Church Warden
- ❖ Commission on Ministry
- ❖ Committee for Campus Ministry
- ❖ Committee to Elect a Bishop
- ❖ Committee on the Environment
- ❖ Congregational Development Commission
- ❖ Diocesan Disaster Response, Coordinator
- ❖ Diocesan Task Force on Socially and Environmentally Responsible Investing
- ❖ Diocese of New York Hispanic-Latino Ministry
- ❖ Environmental Justice and Sustainable Communities, Canon
- ❖ Episcopal Charities, Advisory Committee
- ❖ Episcopal Charities, Board of Directors
- ❖ Fire Department of New York, Protestant Chaplain
- ❖ General Convention Alternate Deputy
- ❖ General Convention Deputy
- ❖ Global Women's Fund
- ❖ Interim Ministry Team
- ❖ Lay Eucharistic Minister
- ❖ Pastoral Care Team
- ❖ Province II Evangelism Team
- ❖ Province II Synod Representative
- ❖ Social Concerns Commission
- ❖ South Bronx Interparish Council
- ❖ Standing Committee
- ❖ Trustees of the Cathedral Church of Saint John the Divine
- ❖ Trustees of the Diocese of New York
- ❖ Vestry Member

Task Force C – Financial Matters

The Rev. Matthew H. Mead, chair
The Rev. Frank Alagna

Mr. Wolcott B. Dunham, Jr., Esq.
Sister Faith Margaret, CHS
Ms. Ursula Moran
Ms. Diane B. Pollard

The Rev. Nora Smith
Mr. Michael Wood

The Parish of Christ the Redeemer, Pelham
Holy Cross Church and Santa Cruz Mission,
Kingston
St. James' Church, Manhattan
The Community of the Holy Spirit, Manhattan
St. Michael's Church, Manhattan
The Church of the Crucifixion, Manhattan and
Trinity Church, Manhattan
The Church of St. Barnabas, Irvington-on-Hudson
Christ Church, Poughkeepsie

Task Force C members have served, serve at, regularly attended, or have been affiliated with the following congregations and communities in the Diocese of New York:

Mid Hudson Region

Christ Church, Poughkeepsie
Holy Cross Church and Santa Cruz Mission, Kingston
St. Andrew's Church, Beacon
St. Margaret's Church, Staatsburg
The Church of the Regeneration, Pine Plains

Region 2

All Saints' Church, Briarcliff Manor
St. Peter's Church, Peekskill
The Church of the Good Shepherd, Granite Springs
The Church of St. Barnabas, Irvington-on-Hudson
The Parish of Christ the Redeemer, Pelham

New York City

St. Bartholomew's Church
St. James' Church
St. Michael's Church
The Church of the Crucifixion
The Church of the Intercession
The Church of St. Mary the Virgin
The Community of the Holy Spirit
Trinity Church

Task Force C members serve or have served on the following committees, commissions, and organizations or held the following positions in the Diocese of New York:

- ❖ Adjustment Board
- ❖ Audit Committee
- ❖ Budget Committee
- ❖ Committee on Canons
- ❖ Committee to Elect a Bishop (2011)
- ❖ Committee to Elect a Bishop (2014)
- ❖ Commission on Ministry
- ❖ Congregational Support Plan Committee
- ❖ Credit Union Task Force
- ❖ Deputation to General Convention
- ❖ Diaconal Formation Committee
- ❖ Diocesan Council
- ❖ Diocese of New York Deans
- ❖ Diocese of New York, Treasurer
- ❖ Ecclesiastical Trial Court
- ❖ Ecumenical & Interfaith Commission
- ❖ Episcopal Charities, Board of Directors
- ❖ Finance Committee
- ❖ Hispanic Grants Committee
- ❖ House of the Redeemer
- ❖ Human Resources Committee
- ❖ Indaba of the Diocese of New York
- ❖ Investment Committee
- ❖ Property Support Committee
- ❖ Real Estate Committee
- ❖ Special Committee on Diocesan Budget Process and Assessments
- ❖ Standing Committee
- ❖ Task Force on Socially and Environmentally Responsible Investments
- ❖ Trustees of the Diocese of New York
- ❖ Trustees of The Cathedral of St. John the Divine
- ❖ Urban Mission Committee
- ❖ Venture Fund Board

Ex Officio

The Rt. Rev. Andrew M.L. Dietsche Bishop of New York

Bishop's Staff

The Rev. Canon Wm. Blake Rider Canon to the Ordinary
Ms. Esslie W. Hughes Chief of Finance and Operations

Consultants

The Rev. Gay C. Jennings
Mr. Steve Smith

Sagamore Hills, Ohio
Dorset, Vermont

Gay C. Jennings currently serves as the president of the House of Deputies of The Episcopal Church and vice president of the Domestic and Foreign Missionary Society. Before her election she served as the Associate Director of CREDO Institute with oversight of curriculum development and more than 120 faculty members. She was the Canon to the Ordinary in the Diocese of Ohio for 17 years and served in hospital and parish settings before serving on the bishop's staff. She is a nine-time deputy to General Convention and The Episcopal Church's clergy representative to the Anglican Consultative Council.

Gay has extensive experience consulting with congregations, clergy, dioceses, and bishops. She has worked with nearly 25 dioceses and bishops in such areas as mutual ministry review of the bishop, organizational development and structural reorganization, staff development and personnel matters, Title IV training and case management, risk management, and congregational and vestry consulting. She was a search and transition consultant for congregations and dioceses for 22 years. She has also been a presenter or keynoter at numerous clergy conferences, gatherings of church-related organizations, and diocesan conventions.

Her bachelor's degree is in religion and anthropology from Colgate University, and she received the Master of Divinity degree from The Episcopal Divinity School.

Steve Smith served for twenty years in senior roles for financial services firms including five years as Executive Vice President of the Church Pension Group in charge of its property-casualty and medical insurance operations. He now maintains a part-time practice as an executive coach and as organizational consultant to not-for-profit organizations. Coaching clients include executives at five Fortune 500 firms, and consulting clients have included three Episcopal dioceses. He travels frequently to client locations throughout the East and Midwest.

Steve has also served the Episcopal Church as a volunteer in a variety of ways. He has been treasurer of two parishes (Church of St. Luke-in-the-Fields, NY and St. James' Church, Arlington, VT), of the Diocese of Vermont, and of Province One. He currently serves as trustee of the Diocese of Vermont and chairs its Loan Review Committee. He is also trained as a diocesan companion, representing the diocese and supporting congregations who are in discernment to identify new leadership. He has been a deputy to General Convention and has twice served on the Joint Standing Committee on Program, Budget and Finance of The Episcopal Church.

His bachelor's degree is in economics from the University of Michigan, and he obtained an MBA from Harvard University.

Task Force A – Governance and Diocesan Structures Report and Proposals

To restore all people to unity with God and each other in Christ.

The Catechism, Book of Common Prayer,
An Outline of the Faith, page 855

*Continue in the apostles' teaching and fellowship,
in the breaking of bread, and in the prayers;
Persevere in resisting evil, and, whenever you fall into sin,
repent and return to the Lord;
Proclaim by word and example the Good News of God in Christ;
Seek and serve Christ in all persons, loving your neighbor as yourself;
Strive for justice and peace among all people, and
respect the dignity of every human being.*

The Baptismal Covenant,
Book of Common Prayer, pages 304-5

Guiding Assumptions

Task Force A on Governance and Diocesan Structures affirms that the primary responsibility of a diocese is mission: to empower and encourage congregations to do the tasks we are called to in our communities. The task force to restructure our governance and diocesan structures seeks to enhance that dynamic, mutually beneficial relationship between congregations and the diocese. Through sharing gifts, discerning best practices, and harnessing economies of scale, we hope to foster collaboration between congregations, develop leadership, and promote mission effectively. To that end, our governance and structures should offer satisfying, desirable incentives to foster collegiality and mission and hold people accountable.

To this end, Task Force A had several tasks. We hoped to clarify the purpose of structures and the various roles of decision-making bodies, including those of Trustees, Diocesan Council, Standing Committee and Deans. Accordingly, we are proposing canonical changes. We also sought to reinvigorate the Canon on Missions, now called the Canon on Congregations in Strategic Settings, so that as the Congregational Support Plan sunsets, we are able to effectively help, intervene, and direct congregations in their life in the diocese. We were also tasked with creating a Vulnerable Congregation Canon to better serve congregations when difficulties arise.

One of the most important parts of this process has been the diocesan listening sessions. During these sessions, we met with priests, deacons, wardens, and laity. All were invited, and more than six hundred people attended the various sessions. For the task forces, this was an opportunity to present preliminary findings and gain feedback. The responses were wide and varied.

During the listening sessions, we proposed two ideas: First, hiring a Human Resources Director to ensure that all who work for the diocese have good and regular supervision and are able to set goals within the context of our diocesan mission. We are incredibly thankful to Bishop Dietsche for moving ahead with this idea and hope that this helps him in his episcopacy.

Second, we recommended an Executive Committee to be formed with senior staff and the bishops to help coordinate the work of the three main bodies of the Diocese: the Standing Committee, the Trustees, and the Diocesan Council. Here too, we are thankful that with the voices from the listening sessions, this has already been accomplished.

We are also thankful for the suggestion through the listening sessions that individuals who are deans and/or lead diocesan commissions and committees be compensated for their time. This could be done through grants given to the congregations they serve. This sort of collaboration is what we see as a good way forward for the life of the diocese, ensuring that congregations want their clergy and members to serve their congregations as well as the wider diocese. We would ask the bishop to direct the Budget Committee to think through how these changes might be implemented for the 2018 Diocese of New York Budget.

We propose evolving the work of the Diocese accordingly

Through reflection and the listening sessions, Task Force A has sought to further clarify the work of the Trustees and Standing Committee. One of our early ideas was to give full responsibility to the Trustees for their work on the diocesan budget. Hearing resistance from the diocese, we have held off on that front. That said, we affirm the work of the Trustees. With a bolstered Canon on Congregations in Strategic Settings, they will be responsible for managing the assets of those congregations. We have also asked that the Standing Committee, in coordination with the Trustees, look more closely at the selling, leasing, or building on church property. Specifically, because the Trustees represent financial and real estate expertise, we want to ensure that we steward our gifts well. We also have empowered the Standing Committee to work within the Canon on Aided Intervention For Vulnerable Congregations so that in the course of their work, should they have concerns about a congregation, there is an ability to adequately respond.

Much of our work has concerned the Diocesan Council. In fact, when our group first met, there was some discussion as to whether or not we needed such a council. Through reflection and the listening sessions, however, we have come to realize that the Diocesan Council serves a vital role in the diocese, although some of their work needs modification.

The Diocesan Council's primary role is to assist the diocese and its congregations in our mission. Although we keep much of the same structure in terms of commissions and committees, we invite Council to strategically examine its own Bylaws and the commissions and committees which it oversees.

More significantly, we have tasked Council with helping the diocese and its congregations in implementing resolutions passed by Diocesan and General Conventions. We have also asked that the Council be responsible for a yearly diocesan calendar. Similar to the budget process,

this calendar will be coordinated with the bishop's staff to ensure announcements are timely, scheduling conflicts are reduced, and the greater mission of the diocese is enhanced.

Additionally, we have reinstated Interparish Councils so that we have a system of raising lay leadership and creating joint mission opportunities between congregations. This seems like a useful tool in the keeping members of the diocese in communication with each other. We also looked at the Clericus/Dean system and concluded that we simply want to commend Bishop Dietsche and his staff for beginning to codify and detail expectations of deans and clericuses. Finally, we looked at the location of diocesan offices. As much of the feedback during the Listening Sessions revealed a sense of "siloing" in the diocese, we reaffirm the bishop's ability to relocate diocesan offices should he so choose.

Canonical Changes

With the Chancellor serving on Task Force A, this seemed like the right opportunity to systematically work through the Canons and propose relevant changes. Many of these changes are points of clarification. There are some typos corrected. And further, we seek to create Canons that speak to the new realities of church and world. This includes more heavily relying on electronic communications and making Convention Canons that allow for electronic balloting. The proposed canonical amendments and an accompanying narrative are found in separate documents.

Proposer of Resolution(s): Strategic Plan Task Force A, The Rev. Bradley Dyche, Chair

Telephone and E-mail: (914) 271-3501; bdyche@bestweb.net

Title of Resolution(s): Amendments to the Canons of the Episcopal Diocese of New York

Text of Resolution(s):

[15] Resolved: that the 240th Convention of the Episcopal Diocese of New York approve the proposed revisions to the Canons of the Episcopal Diocese of New York in the form set forth in the following "Compendium of Proposed Changes to the Canons of the Diocese of New York, September 12, 2016", beginning on page 46 of this Report. with such changes as to form, grammar and presentation or to cure any ambiguity, omission, mistake, defect or inconsistency, in each case as the Strategic Task Force A may determine from time to time.

Commentary on Resolution

Please see the accompanying "Narrative to the Compendium of Proposed Changes to the Canons of the Diocese of New York, September 12, 2016", beginning on page 42. Other commentary on the proposed amendments is contained throughout this Report.

Task Force B – Congregations Report and Proposals

The charge to the Advisory Group was to identify opportunities, strategies and vision that position the Diocese of New York to engage God’s mission in ways that are sustainable, innovative and accessible. Task Force B was asked to develop a common understanding of the marks of a healthy congregational life and identify ways of helping congregations address their futures.

Be not afraid. Be of good cheer. We are in a place of wonderful opportunity. We are being invited into conversation to build a transformative ministry together. There are many options and avenues open to us, the work of the Holy Spirit is dynamic, and will call forth creativity we did not know we had. We are committed to learning and using honest, appreciative and truthful dialogue as we move into our new future together. We are full of hope.

The strategic plan is not about the diocese closing churches, but a clear-eyed assessment of our times and God’s call today. We are at a cross road, which means we have choices before us.

Here is a list of our congregations’ current clergy leadership configuration as of September 2016:

Rector plus one or more Assistant/Curate	29
A single Full-time priest	72
A priest serving less than Full-time	5
Congregations with Shared Pastorate / Regional Ministries	16
Half-time	29
Less than Half-time	8
Supply	29

We have lived through a century of constant change. Most of our churches were built in a time of great expansion and spiritual ferment in the 1800s. However, there were no cars, people walked to church, and wood stove heating put limits on church size. Over 100 churches closed between 1900 and 1960, consolidating with other congregations; or, finding that their mission was completed, closing and releasing resources to other mission and ministry.

The configuration of the congregations above reflect the actual fluidity of our common life and the practice of choices made at other cross road times in the Diocese of New York. For a deeper exploration of just how fluid our actual life has been, see, [This Planted Vine: A Narrative History of the Episcopal Diocese of New York](#) by the Rev. James Elliot Lindsley, available online in the Diocesan Archives.

The Diocese of New York has not undertaken a comprehensive strategic plan since 1974 when these three priorities were agreed upon:

1. Effective Church Presence in Poor Communities
2. Increased Leadership and Program Capability
3. Revitalization of Congregations

These strategies for diocesan growth were not passed in 1974 due to disagreement.

1. By proclaiming evangelistic witness through His word and sacraments.
2. By cultivation of our Christian commitment through training in interior life and spiritual discipline.
3. By the practice of Christian community made evident in programs and service to our various localities.
4. By extending the work of the church through the judicious use of their resources.

Both what was adopted and what was not adopted shed light on our current status.

The context of our church life and times has changed enormously. As Dr. Phyllis Tickle observed, we are in a time of “the great emergence.” People are seeking a deeper spiritual life amidst the ephemera but traditional expressions are not their first consideration. Bringing contextualized responses of the Gospel to these various communities is necessary. Like Paul, Priscilla and Aquila, we must learn to be all things to all people taking into consideration language, culture groups, urban and ex-urban life, and migration. We have a deep tradition of God’s love in Jesus amongst us expressed in scripture, tradition and reason. We are wonderfully equipped to meet this day and this time.

Task Force B on Congregations has researched, studied, discussed and prayed upon Bishop Dietsche’s charge to our group. We expanded slightly the objectives for our work and set about to answer the following questions:

1. What constitutes a healthy, vital and viable congregation?
2. What are realistic, concrete practices for congregations in the diocese to move forward and become truly vital and viable?
3. What action for change and capacity-building must be undertaken to assist congregations in their growth?

We hope and believe that this report will establish a common understanding and language, across the diocese, of what constitutes a viable and vital congregation, and provide congregations proven approaches and strategies to plan their itineraries for growth. The report focuses on both the “what” and the “how” required to build and sustain healthy parishes. We suggest *what* the key characteristics of healthy congregations are, and *how* parishes may get ready for a new cycle of growth to create a plan for moving forward.

This report is in two sections:

Section 1

Levers for Change and Building our Common Life

Section 2

Marks of Viability and Standards for Viability Assessment

Task Force B recognizes that this invitation to congregations to conduct honest, open assessments of their viability and vitality, and to begin to chart a way forward, is offered at a moment when many Episcopal congregations are at a cross road. We believe all of us are called into imagining and planning for new ways of “being church.” Carrying forward the essential beauty and practice in new contexts and expressions is a task filled with promise and challenge. We pray that the strategies and examples provided here will empower people to meet the new day and we have great hope and excitement in discovering what God is calling us to do.

Our report borrows extensively from other Episcopal dioceses and organizations that are doing strong work in congregational development. We thank our brothers and sisters for their research, insights, information, tools, and support.

The Diocese of Massachusetts: For characteristics of Viability and Vitality.

The Diocese of Chicago: For strategies, process, and model of the Canon for Vulnerable Congregations and information on Fierce/Essential Conversations training.

The Diocese of Connecticut: For congregational practices.

The Diocese of Toronto in the Anglican Church of Canada: For the Sustainable and Strategic graph.

Forward Movement and RenewalWorks: For the five best practices.

Section 1

Levers for Change and Building our Common Life

strat·e·gy 'strədəjē/ *Noun* 1. a plan of action or policy designed to achieve a major or overall aim

Both in listening to the diocese and in our conversations we have discovered the following obstacles to our common health which must be addressed for any strategic plan to succeed:

- ❖ A sense of isolation
- ❖ Competition
- ❖ Lack of clarity
- ❖ Diocesan bottlenecks
- ❖ Anxiety
- ❖ Lack of identified resources

The following levers for change were identified in the Human Synergistics Report undertaken by the diocese to analyze our common life and practices. There are gaps between our ideal life and practice and our actual life and practice. To realign our present practice with our future hope, change is necessary.

The primary levers for change and health are:

- ❖ Training and Development
- ❖ Task Facilitation
- ❖ Fairness of Appraisals
- ❖ Lay/Congregational Involvement
- ❖ Interdependence
- ❖ Congregational Service Focus
- ❖ Combined influence (for optimal impact levers must be activated jointly)

Open and sturdy relationships will be key to effecting the levers for change necessary to build our common life and capacity to respond to God's call. Therefore, building upon the unexpected joy experienced by congregations who participated in the Indaba experience, we propose the following resolution to build up our common life and increase our joy and love of God and one another.

Proposer of Resolution: Strategic Plan Task Force B, The Rev. Claire Woodley, Chair

Parish or Organization:

Telephone and E-mail: 914-528-3972; stmarysandrector@yahoo.com

Title of Resolution(s): Towards Building our Common Life

Text of Resolution(s):

[16] *Resolved:* that, in order to build up our common life as a community of Christians in the Episcopal tradition in the Diocese of New York, and to foster shared discipleship, exchange of resources and support, the bishops, staff, and people of the Diocese of New York commit to implementing the following:

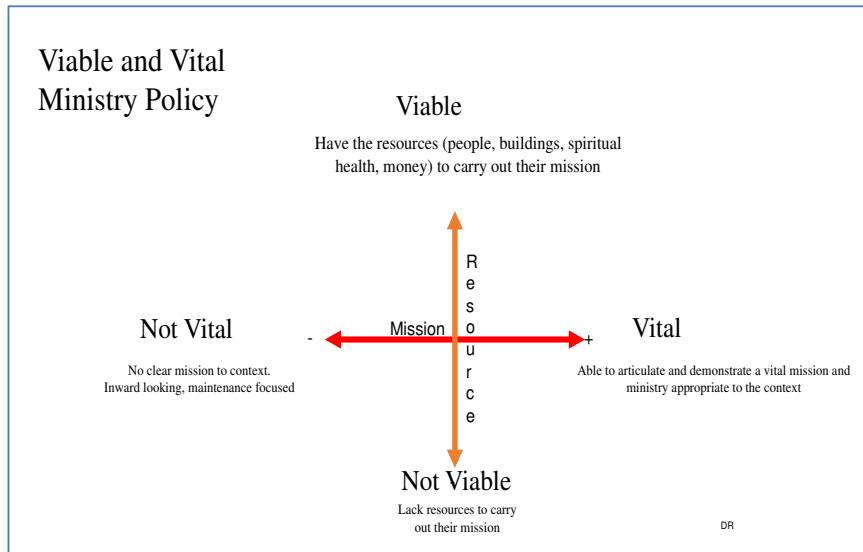
1. The institution of an annual diocesan-wide shared Bible Study, scripture and themes to be decided by our bishops, and presented in English and Spanish.
2. A continued Indaba experience on a triennial rotation with each congregation encouraged to participate in building our common life and understanding together with three partner congregations, facilitated through the diocese.
3. That each member of our congregations be encouraged to give a minimum of five hours of gift work annually to other congregations, diocesan commissions, committees or Episcopal Church programs, and that a ministry bank be maintained by the Human Resources Office of the Diocese of New York.
4. That Eastertide be a season of pulpit exchanging throughout the diocese, sharing the inspiration and insight with which God has gifted the people of the diocese.
5. That diocesan-wide festivals for acolytes, altar guilds, dancers, liturgists, musicians, preachers, psalmists and poets, visual and media artists be called by the Commission on Liturgy to build the excellence of our services and inspire passionate worship in the people of God.

No Commentary on this Resolution

Section 2

Marks of Viability and Standards for Viability Assessment

vi·a·ble 'vīəb(ə)l/ *adjective* capable of working successfully; feasible.



All churches encounter some form of static or unsustainable common life or find themselves ready for a new cycle of growth in our lives together. We are moving into a new cycle of how to be the Episcopal Church moving, from where we expect people to come into our churches to initiate a relationship with Christ, into a time of the church going out of our buildings to meet and build relationships with those whom Christ is calling. Viability of a congregation increases proportionately with its interaction with the surrounding community. Take a moment to think about where your congregation might be in relation to the above graph. Take a breath and listen with us to where the Spirit is leading.

Commentary on Proposed Resolution

Characteristics of Viable Congregations

Viability characteristics are those elements of congregational and diocesan life that are considered basic and essential. They represent the fundamental obligations and responsibilities that each congregation undertakes as a constituent part of this diocese. While these responsibilities rest largely with the vestry, clergy should work cooperatively with the vestry and congregation to maintain the viability of the parish in these areas:

- ❖ Essential leadership positions (wardens, vestry, treasurer, clerk) are filled and have regular turnover per the by-laws of the congregation.
- ❖ Clergy and staff salaries and pensions are paid in a timely manner and meet at least minimum diocesan recommended compensation levels.
- ❖ The congregation is current with its financial obligations.

- ❖ The congregation supports the mission of the Diocese of New York through fulfilling its assessment.
- ❖ The congregation has an annual stewardship program.
- ❖ The congregation prepares a financial budget annually.
- ❖ Major defects of church properties (buildings and grounds) are being addressed.
- ❖ The congregation files an annual parochial report and a yearly audit and/or a modified audit report.
- ❖ The congregation has by-laws which are reviewed every decade.
- ❖ All clergy and appropriate lay persons have received Safe Church training and Anti-Racism training.
- ❖ The vestry ensures that appropriate insurance coverage is in place: general liability, property, and Directors and Officers coverage. Coverage shall be, at a minimum, equal to the “New York package” as defined by the Church Insurance Company. Proof of up-to-date insurance coverage provided to the Diocese annually.

Task Force B proposes the following resolution to further this work.

Proposer of Resolution(s): Strategic Plan Task Force B, The Rev. Claire Woodley, Chair

Parish or Organization:

Telephone and E-mail: 914-528-3972; stmarysandrector@yahoo.com

Title of Resolution(s): Determining Congregational Health and Viability

Text of Resolution(s):

[17] *Resolved:* that congregations of the diocese undertake a self-assessment every three years to assist in determining their viability, sustainability, and strategic potential to effect Christ’s mission in the world as members of the Diocese of New York; and be it further

[18] *Resolved:* that based on viability standards published by the diocese, when a congregation finds that three or more viability markers are not being met it is cause for concern. The clergy and wardens are directed to share concerns with the identified member of the bishop’s staff who will meet with the clergy and wardens to develop strategies and resources; and be it further

[19] *Resolved:* that the congregation re-submit their assessment the following year indicating where progress towards viability has been effected; and be it further

[20] *Resolved:* that if a congregation misses three or more markers on their second assessment they will be referred to the Canon on Aided Intervention for Vulnerable Congregations to formulate next steps.

The Diocese of New York, like dioceses across the Episcopal Church, has many cross road congregations. Cross road congregations are those whose life together, governed by practices that were effective in the past but no longer bring new life and vitality, have come to a place with diminished congregational size and beloved buildings that are increasingly difficult to sustain which must take a new direction. It is vital for us to remember that “for to your chosen people Lord, life is never over, but changed.” Transformation and new life is the hallmark of Christianity and that being at a cross road means choosing a direction.

As our diocesan structure and congregations are transformed by the work of the strategic plan, the choices for congregations to make will become clearer, congregations will be empowered and emboldened and the new life God promises will be manifest in our midst. To accomplish this we must abandon all temptation to cynicism, that the future holds no good, and instead working together, seek the leading of the living God,

*For surely I know the plans I have for you, says the Lord,
plans for your welfare and not for harm,
to give you a future with hope.*

Jeremiah 29:11

Task Force C – Financial Matters Report and Proposals

Introduction

This report covers the findings and recommendations of Task Force C on Financial Matters of the Diocese of New York. This report is divided into four parts.

Section 1

Summary Report on the Current State of Financial Matters in the Diocese of New York

Section 2

Summary of Recommendations

Section 3

Theological Reflection

Section 4

Addendums

- A. Recommendations to the Budget Committee
- B. Addition to Canon 15.3 (Trustees) and Amendment of Canon 16.6 (Council)
- C. Canon 18 – Revision
- D. Commentary on Canon 18 Revisions
- E. Resolution on Continuing Financial Education for Clergy and Financial Leaders of our Congregations

Task Force C was instructed to make recommendations covering the following topics:

- 1. Budget
- 2. Assessment formula and Congregational Support Plan payments
- 3. Other Sources of Income and Resources

Work was done by members of the Task Force who reported back regularly to the entire Task Force via email and regular phone conferences. The chair of the Task Force met numerous times with the Task Force chairs, the consultants, the Bishop, the Chief of Finances and Operations, and the Treasurer.

The Task Force members and chair met more than twenty times, either by phone or in person, for a total of more than 80 hours between October 2015 and June 2016.

Section 1

Summary Report on the Current State of Financial Matters in the Diocese of New York

About Our Current Assessment Model

Canon 18 of the Canons of the Diocese of New York details the funding program of the Diocese of New York. Canon 18 describes:

- ❖ the budget process
- ❖ the definition of and formula determining each Congregation's Apportioned Share (aka assessment) which is based on a congregation's Normal Operating Income (NOI) and how payment of an assessment is to be made
- ❖ the assessment adjustment and appeal process
- ❖ the Congregational Support Plan, and
- ❖ remedies for nonpayment of an assessment.

Seven Key Points about Canon 18

1. A Task Force on Assessments presented a revision of Canon 18 in 2009 which was approved by Convention.
2. The assessment formula is tiered so that congregations with higher Normal Operating Incomes pay at a higher percentage than congregations with smaller Normal Operating Incomes
3. There is a 12.5% limit on the amount an assessment can increase year over year for any one congregation.
4. If the apportioned share of any one congregation exceeds 25% of the total income of the diocesan assessment budget, the excess amount above that 25% is collected by the Diocese of New York and applied to the Diocesan General Endowment Fund.
5. There is an adjustment and appeal process overseen by the Trustees.
6. Funding for the Congregational Support Plan is embedded in Canon 18.
7. The ultimate remedy for nonpayment in Canon 18 is converting a Parish into a Mission Congregation; this remedy for nonpayment was added in 2009 and has not been applied.

The listening sessions held in the spring of 2016 broadly revealed that across the diocese there is little understanding of how Canon 18 works beyond the effect it has on "my congregation."

Assessment Budget Income

In 2016 the sum total of Net Assessments and Net Congregational Support Plan Contributions make up about 85% of the total projected Assessment Budget income. The remaining 15% of income comes from a variety of sources (unrestricted endowment, trusts, fees, etc.).

Beginning with the 2015 Assessment Budget report the Net Assessment and Net Congregational Support Plan Contribution lines were broken out in an effort to add transparency. In each case two new lines were added, “Gross [Assessments/Contributions]” and “Projected Unpaid [Assessments/Contributions].”

This revealed that the Diocese receives only about 80% - 85% of calculated assessments, and about 80% of calculated Congregational Support Plan contributions. However, it is not clear in the budget report, as it is currently presented, what of the total amount has been adjusted by the Adjustment Board, nor is it clear what effect the 12.5% cap on annual increases has had on those numbers.

There are nearly 200 congregations in the Diocese of New York. In 2016 the ten congregations that are assessed the ten highest assessments are projected to pay about 60% of the total income of the total Assessment Budget. In 2016 the two congregations that are assessed the two highest assessments are projected to pay about 40% of the total income of the total Assessment Budget. In 2016 the congregation that is assessed the highest assessment is projected to pay about 28% of the total income of the total Assessment Budget. As noted above, Canon 18 places a cap at 25% of total Assessment dollars a given congregation can pay to a given year’s budget, so the extra 3% is transferred into the unrestricted endowment of the Diocese.

In addition to assessment income, the diocese has restricted and unrestricted endowment funds, and cash reserve funds all of which are described in the diocesan budget narrative.

The listening sessions held in the spring of 2016 gave voice to a range of opinions about the current model. Many felt it was fair. Others would like to see the top tier percentages of the assessment formula increased. Still others would like to see the top tier percentages of the assessment formula percentages reduced. In any case, there was no clear movement to change the current model.

Assessment Budget Disbursements

The Assessment Budget supports the operating expenses of the Diocese of New York including the episcopate, diocesan staff, administration, Congregational Support Plan, convention and meeting costs, our assessment to The Episcopal Church, and a wide array of grants and support for congregations and institutions. In 2016 the total projected disbursements were about \$10,225,000.

The listening sessions held in the spring of 2016 gave voice to a range of opinions about the current level of disbursements. Some felt it was in line with the mission of the Diocese of New York. Others felt that the current amount of disbursements was not enough to support the mission of the Diocese of New York and wanted to find ways to increase revenue. Still others felt that the current amount of disbursements was more than enough to support the mission of the Diocese of New York and wanted disbursements, in general, to be cut significantly.

Budget process

The current budget process follows the general procedure outlined in Canon 18. The Budget Committee is appointed each year by the Bishop of New York. The Budget Committee includes members of Council and the Trustees. The committee receives input and requests from the Bishop, Council, commissions, committees, staff, and Trustees of the Diocese and drafts a disbursement budget and accompanying disbursement narrative. That said, no standard budget request form or procedure has been used since 2009. By the end of July the end-of-year projections for income expected from assessments, endowment draws, etc. are reliable enough to begin reconciling disbursements to income. Invariably, there are more disbursement requests than income, and so the Budget Committee's work throughout August involves weighing priorities, finding ways to trim numerous lines, and crafting an Executive Summary of the narrative.

A final draft of the budget and accompanying narrative is sent to Diocesan Council at the end of August for review. The chair of the Budget Committee presents the final draft budget and narrative to Council in September, and the draft budget is approved (with or without amendment) by Council. This approved draft budget is referred to as the "proposed budget." The proposed budget and the Executive Summary of the narrative are included in the Calendar of Business of Convention and sent to every congregation and all delegates to Convention. The full narrative is made available online. The chair of the Budget Committee presents the proposed budget to Convention in November, and the budget may be approved, amended or rejected by Convention.

The budget crafting process begins again at the start of the year, and a new committee is appointed by the Bishop of New York.

When in the course of their duties in managing the finances of the Diocese, the Trustees determine that the diocesan budget needs to be materially adjusted between Conventions, they present the adjustment to the Budget & Finance Committee of Council. The committee reviews the proposed adjustment and presents its recommendation to the Council and, unless the Council objects at its next meeting, the adjustment takes place.

The listening sessions held in the spring of 2016 broadly revealed that the ongoing effort to add transparency to the budget process is appreciated.

Ministries supported by Restricted Funds outside of the Assessment Budget

Other ministries are also supported by the Diocese of New York through restricted endowment funds which are outside the canonical purview of the Budget Committee and are not part of the Assessment Budget. These funds are designated for a variety of purposes, including discretionary funds for the Bishop of New York, funds designated for property support, funds designated for clergy critical needs or continuing education, etc. These restricted funds are not part of the Assessment Budget and are administered by the Bishop of New York and/or designated committees and commissions of the Diocese of New York. Income and disbursements from all restricted funds are overseen by the Trustees of the Diocese of New York.

The listening sessions held in the spring of 2016 broadly revealed that added transparency around restricted funds and access to grants would be appreciated.

Available Financial Reports

The Trustees receive periodic financial statements and an annual report from the Audit Committee of the Trustees related to all diocesan income and spending, including that related to the Assessment Budget and all restricted and unrestricted accounts. The Budget Committee publishes a budget spreadsheet and a detailed budget narrative each year for Diocesan Convention which offers significant detail on the finances of the Diocese of New York. The budget, budget narrative, and audited financial reports are available on the diocesan website. The audited financial reports combine assessment budget income and disbursements with income and disbursements from restricted funds that are not part of the Assessment Budget. Based on the documents available it is difficult to reconcile the budget with the audited financials. The Assessment Budget accounted for about \$10,000,000 in disbursements in 2015. Disbursements from restricted funds accounted for about \$1,500,000.

The listening sessions held in the spring of 2016 broadly revealed that the ongoing effort to add transparency to financial reports is appreciated.

Audits, NOI, and Parochial Reports

Every congregation is required to have an audit. While the General Convention Canons require a CPA audit, each diocese has flexibility to set a different standard for smaller congregations. The Trustees of the Diocese of New York require full, certified financial statements from all congregations with more than \$250,000 of Normal Operating Income. A compilation or a review does not satisfy the audit requirement. The required disclosures consist of:

1. the auditor's opinion
2. statement of financial position (balance sheet)
3. statement of activities (revenue & expense statement)
4. statement of cash flows
5. notes.

According to current guidelines of the Trustees, congregations with less than \$250,000 Normal Operating Income (NOI) may file an "Alternate Audit."

Canon 18 notes that the Assessment for a given congregation is determined by averaging the prior two years' NOI. NOI is submitted with every parochial report.

Though required by Canon 24 to file an audit and a parochial report annually, numerous congregations file one or both of these documents late, and some congregations do not file one or both documents at all. Parochial Report information, including NOI, is not required to appear in the audited financial statements, and the diocese does not have the staff to compare every audit and parochial report, so it is possible for a congregation to list an NOI in the Parochial Report that cannot be reconciled to NOI in the audit. Transitions of clergy,

wardens, treasurers, bookkeepers, etc. often mean that NOI is calculated in a different way after the transition.

The listening sessions held in the spring of 2016 broadly revealed that any financial resources, guidance, workshops, or assistance the diocese currently offers are appreciated and more resources, guidance, workshops, and assistance are requested.

Task Force C also recommends that all audits include specific reporting on withdrawal from savings and/or drawdowns or payouts from endowment or investment accounts including the amounts involved, the percentage of the corpus that was withdrawn, and a projection of the impact on future preservation of the savings, endowments, and investment accounts.

Sale of Property, including Air Rights

There is not broad understanding of the legal and canonical requirements of the sale of property by congregations in the Diocese of New York. Nor is there broad understanding of the current policies of the Bishop and the Standing Committee around the sale of property and air rights. Neither is there broad understanding that all property of every congregation in the diocese is held in trust for the Diocese of New York and The Episcopal Church.

The Relationship between the Diocese and its Cathedral

The Diocese of New York and its cathedral have a unique relationship. The financial reality of that relationship is also unique and quite complicated. The diocesan budget shows a disbursement for “Cathedral Cost Sharing and Rent” of about \$500,000. The Congregation of Saint Saviour, which was formed in 1992, functions as the congregation in the Cathedral.

It is the NOI of the Congregation of Saint Saviour, and not the NOI of all of the Cathedral operations as a whole, that determines the Apportioned Share of the Cathedral.

Other sources of income

The Diocese of New York is made up of nearly 200 congregations. In aggregate, those congregations have vast resources of people, property, and money. The listening sessions held in the spring of 2016 underscored the need to continue to tap those resources to assist our common mission of spreading the Gospel of Jesus Christ.

Section 2

Summary of Recommendations

Apportioned Share Budget

1. The Apportioned Share Budget of the Diocese of New York is well organized and clearly presented. The Task Force recommends additional clarity, as detailed in *Addendum A* of this report.

Financial Statements and Audited Reports of the Diocese of New York

1. The Task Force recommends that the Trustees receive accurate, quarterly financial statements that reflect all income and disbursements, and that those statements clearly denote whether income and disbursements relate to Restricted Funds or to the Assessment Budget.
2. The Task Force recommends a canonical addition of the formation of a Finance Committee, as detailed in *Addendum B* and *Addendum C* of this report.
3. The Task Force recognizes that audited financial reports of the Diocese of New York are published online on the Budget and Finance web page of the diocese and include all income and disbursements from the Assessment Budget and all Restricted Funds. Task Force C recommends that those audited financial reports, or supplemental financial reports, clearly differentiate Assessment Budget income and disbursements from Restricted Fund income and disbursements.

Restricted Funds

1. The Task Force recommends that the Trustees publish an annual report of the restricted endowment funds, including those that support mission expenses of the Diocese of New York.
 - a. This report should not in any way restrict the discretion that the Bishop or any commissions or committees have in distributing these funds.
 - b. The Task Force recommends a simple report that states:
 - i. The official name of the fund
 - ii. A brief description of the purpose of the fund
 - iii. The value of the fund on December 31 in Year A
 - iv. Additions to the fund in Year B
 - v. Disbursements from the fund in Year B
 - vi. Change in value of the fund in Year B
 - vii. The value of the fund on December 31 in Year B
 - c. This report should be made available along with the other financial materials which are on the Budget and Finance web page of the diocese.

Property and Air Rights

1. The Task Force recommends that the Standing Committee and the Chancellor regularly publish the current canonical and legal guidelines, policies, and procedures in the Diocese of New York regarding the sale of property, including air rights.
2. The Task Force recommends that the Trustees regularly publish the current policies about how money the diocese receives from such sales is to be applied.
3. The Task Force recommends that the Standing Committee and any Congregation selling property or real estate each consider retaining the services of an independent real estate attorney. By independent, the Task Force means that the real estate attorney is not a member of the congregation, is not related to a member of the vestry, and is not from a firm or practice to which a member of the vestry might have the appearance of a conflict of interest.

Grants

1. The Task Force recommends that the Trustees publish a list of all grants, whether from Restricted Funds or the Apportioned Share Budget, available to congregations, clergy, laity, and organizations in the Diocese of New York. This list should include basic contact information about whom one contacts to apply for a given grant and to learn about processes and deadlines.

Revision of Canon 18: Funding Program of the Diocese

1. The Task Force recommends a revision of Canon 18, as noted in *Addendum C* of this report. The revisions include:
 - a. Renaming the “Budget and Finance Committee” as the “Budget Committee.” This change is also reflected in our proposed revision of Canon 16, as noted in Addendum B.
 - b. Replacing the word “Assessment” with “Apportioned Share.”
 - c. Replacing the word “Parish” with “Congregation.”
 - d. Adding a description of the makeup of the Budget Committee.
 - e. Expanding and clarifying the process of the Budget Committee.
 - f. Clarifying the Budget approval process.
 - g. Modifying the Adjustment procedure to ensure that in the year following a deferral or reduction in a congregation’s apportioned share the apportioned share is determined by the full formula; and the 12.5% cap does not apply.
 - h. Removing reference to and funding for the Congregational Support Plan. This change is also reflected in our proposed revision of Canon 16, as noted in Addendum B.
 - i. Rewriting “Remedies” for non-payment and adding incentives.
 - j. Reformatting the entire Canon.

Continued study of Apportioned Share Formula

1. At this time the Task Force does not recommend changing the tiered formula that determines each congregation's apportioned share.
2. The Task Force recommends that the Bishop form a Task Force on Apportioned Shares to continue the work that we have begun, to study the Apportioned Share model in Canon 18 and a variety of other models, and to submit a report to the 2017 Convention.
3. The Task Force recognizes that if we are going to recommend a different model, we need to know exactly what effect it will have on every single congregation. Further, we need to understand the income and expenses necessary to carry out the mission of the diocese as it will be expressed in the Strategic Plan. Any revision of the formula must be fair and just for all congregations, former Congregational Support Plan congregations, missions, and new church plants.

Resolution on Workshops for Registers, Parochial Reports, and Audits

1. The Task Force recommends that the Chief of Finance and Operations, working with the Trustees, offer an annual workshop on budgets, registers, parochial reports, and audits for bookkeepers, priests, wardens, and treasurers.
2. The Task Force recommends a Resolution of Convention that requires all clergy resident in the Diocese of New York to attend one of these workshops at least once every five years as part of continuing financial education, as noted in *Addendum E* of this report.

Other Sources of Income

1. The Task Force recommends that the Trustees of the Cathedral and the Trustees of the Diocese of New York work together to clarify the relationship between the Diocese and its cathedral.
2. The Task Force recommends continued study of how financial, physical, and human resources of the Congregations might be used to benefit the wider mission of the Diocese of New York and the Church.

Section 3

Theological Reflection

We live with a certain tension between sustaining the financial stability of our congregations and our vocation to serve the wider Church. This tension can manifest itself in ways that hinder us from living more fully into the Gospel. We should not identify ourselves primarily as separate entities that make continual appeal to those many legal provisions that protect corporations; rather we are members of the Body of Christ who seek our security in relationships of ever deepening mutuality with one another and with Jesus Christ. This is at the heart of Bishop Dietsche's *Indaba* initiative. The resolution of this tension must always be driven by a call to realize that vision put forth in the Book of Acts 4:32, "No one claimed that any of their possessions was their own, but they shared everything they had, such that no one was in need."

The Task Force recommends specific changes to our governing canons and a number of practical steps for diocesan leadership to aid our congregations. We believe that these recommendations are strategic steps that will ensure ongoing vigilance about our relationship with money and how we hold it, use it, and share it. We believe that these canonical changes build transparency and provide tools that will assist us in determining how much money we have, how much money we spend, and how our money is most wisely handled. Real transparency and useful tools will help make our diocese and our congregations nimble when it comes to allocating our financial resources towards our shared mission of spreading the Gospel locally, regionally, and globally. True transparency and practical tools make it easier to answer the deeper questions that God is asking us about our hearts and our treasure.

What does our treasure tell us about where our hearts truly are? What is the treasure that we hold in trust for the wider church? Do we understand what it really means *to hold it in trust*? What are the financial needs of the diocese to carry out its mission? As we continue on this journey together, we must continue to ask, "What is the Spirit calling us to do?"

Section 4

Addendums A-E

Addendum A

Recommendations for the Budget Committee

1. The Task Force recommends that Income lines clearly denote “Calculated Apportioned Shares”, “Adjustments”, “Projected Unpaid”, and “Net Expected Apportioned Shares.”
2. The Task Force recommends breaking out program expenses on Schedule C (Staff & Support for Ministries & Congregations), for example: Canon for Ministry Office” and “Canon for Ministry Program expenses.”
3. The Task Force recommends more clarity in the Budget Narrative on which commission or committee has oversight for the lines in Schedule D (Funding for Leadership in Missions & Congregations).
4. The Task Force recommends more detail in the Budget Narrative of all grants and moneys spent in Schedules E (Grants & Programs for Congregations) and F (Diocesan Ministry & Outreach Programs).
5. The Task Force recognizes that Schedule G (Diocesan Administration) represents one quarter of the total budget, and the Task Force recommends more detailed information in the Budget Narrative and more detailed lines in the Schedule.
6. The Task Force recommends that a Reserve Fund be set up for Diocesan Convention (Schedule I) to ensure that the diocese spends a similar amount on Convention year over year, regardless of whether Convention is one day or two.
7. The Task Force recommends that the Budget Committee continue to represent the diversity of the Diocese of New York – the Committee should continue to represent both Council and the Trustees.
8. The Task Force recommends that the Budget Process include a clearly communicated, timely, and uniform mechanism for commissions, committees, staff, and members of the diocese to submit requests to the Budget Committee.
9. Task Force recommends the Budget Narrative should include a list of all requests and whether they were approved or not approved.
10. The Task Force recommends that the full Budget Narrative be printed in the Calendar of Convention rather than just the Executive Summary.
11. The Task Force recommends that the Pre-Convention Caucuses be revived so that a standard forum is provided before Convention so that a presentation of the budget, introduction of nominees for elected offices, and other reports can be made in person and in advance to Convention delegates.

Addendum B

Addition to Canon 15.3 (Trustees) and Amendment of Canon 16.6 (Council)

Task Force C (Financial Matters) has requested that Task Force A (Governance and Diocesan Structures) recommend the following Canonical changes to Canon 15 (Trustees of the Diocese of New York) and Canon 16 (Council of the Diocese of New York):

Addition to Canon 15, Section 3:

16. To organize a Finance Committee of which the Chair of the Budget Committee of Council is a member (ex-officio).

Amend Canon 16, Section 6 as follows:

Sec. 6. Organization of Council: There shall be the following Standing Commissions of Council: Christian Formation Commission, Congregational Development Commission, Congregational Life for Mission Commission, Social Concerns Commission and Leadership Development Commission. In addition, the Budget ~~and Finance~~ Committee ~~and the Congregational Support Committee~~ shall be a standing committees of Council.

Addendum C

Revision of Canon 18

Canon 18, which is renumbered as Canon 17 in the proposed amendments to the Canons, is printed in the Compendium of Proposed Canonical Amendments.

Addendum D

Commentary on the Revision of Canon 18

Canon 18, which is renumbered as Canon 17 in the proposed amendments to the Canons, is printed in the Compendium of Proposed Canonical Amendments.

The Budget Committee

The Budget Committee is in name a Committee of Council, and in practice is a committee made up of both Trustees and members of Council, appointed by the Bishop. This revision normalizes that practice and takes two important steps. First, it ensures that there is significant representation from both Council and the Trustees. Second, it ensures that there is cross over between the Budget Committee of the Council and the Finance Committee of the Trustees.

Approval and changing of Budget

We recommend retaining the current practice of approval of the draft budget by the Council. We also recommend retaining the current practice as it is outlined in Canon 18 (proposed Canon 17) that the Trustees may modify the budget between Conventions, and that the modifications should be sent to Council which may reject them.

A Congregation's Apportioned Share

The portions of Canon 18 that deal with the Congregational Support Plan have been removed. We recommend that the Apportioned Share Canon apply to all congregations. Congregation is defined as any Congregation (formerly Parish or Congregation), Congregation in a Strategic Setting (formerly Mission Congregation), or Vulnerable Congregation (new category) in union with the Diocese of New York. In practical terms, with the Congregational Support Plan sun-setting, this will mean each congregation that is currently on the Congregational Support Plan will pay a lower Apportioned Share than that congregation is paying as a CSP contribution.

12.5% cap on year-to-year increase

The Adjustment and Appeal process in the current Canon had the unintended side effect of permanently adjusting the Apportioned Share of a congregation. For example:

St. Swithin's in the Swamp had an apportioned share of \$600,000 in 2014.

Saint Swithin's appealed to the Adjustment Board and was granted an Adjustment in its Apportioned Share to \$200,000. Because an Apportioned Share cannot increase by more than 12.5% under the current Canon it would take more than a decade for Saint Swithin's Apportioned Share to return to its 2014 levels.

Permanent reductions were never intended. The revision makes clear that action by the Adjustment Board affects only the year or years explicitly addressed by the Board, while permitting a congregation to appeal in successive years.

Adjustment and Appeal

The revised Canon retains the power of the Adjustment Board to make a reduction and makes explicit the power of the Adjustment Board to defer a portion of an Apportioned Share to a future year.

Late Payments

The Revision clarifies that payments made after the fifth days of January, April, July and October shall be deemed by the Chief of Finance and Operations to be late.

Incentives

We recommend adding three incentives for congregations to pay their full/adjusted Apportioned Shares. First, grant funds from the Apportioned Share Budget are only available to congregations that paid in the previous year and have no arrears. Second, the Chief of Finance and Operations is directed to report quarterly payment status of all congregations to the Bishop, Trustees, and Council. Third, the Chief of Finance and Operations is directed to report to Convention the filing status, calculated Apportioned Share amount, adjusted Apportioned Shares amount, payment status, and arrears of every congregation.

Congregations In Default In Apportioned Share

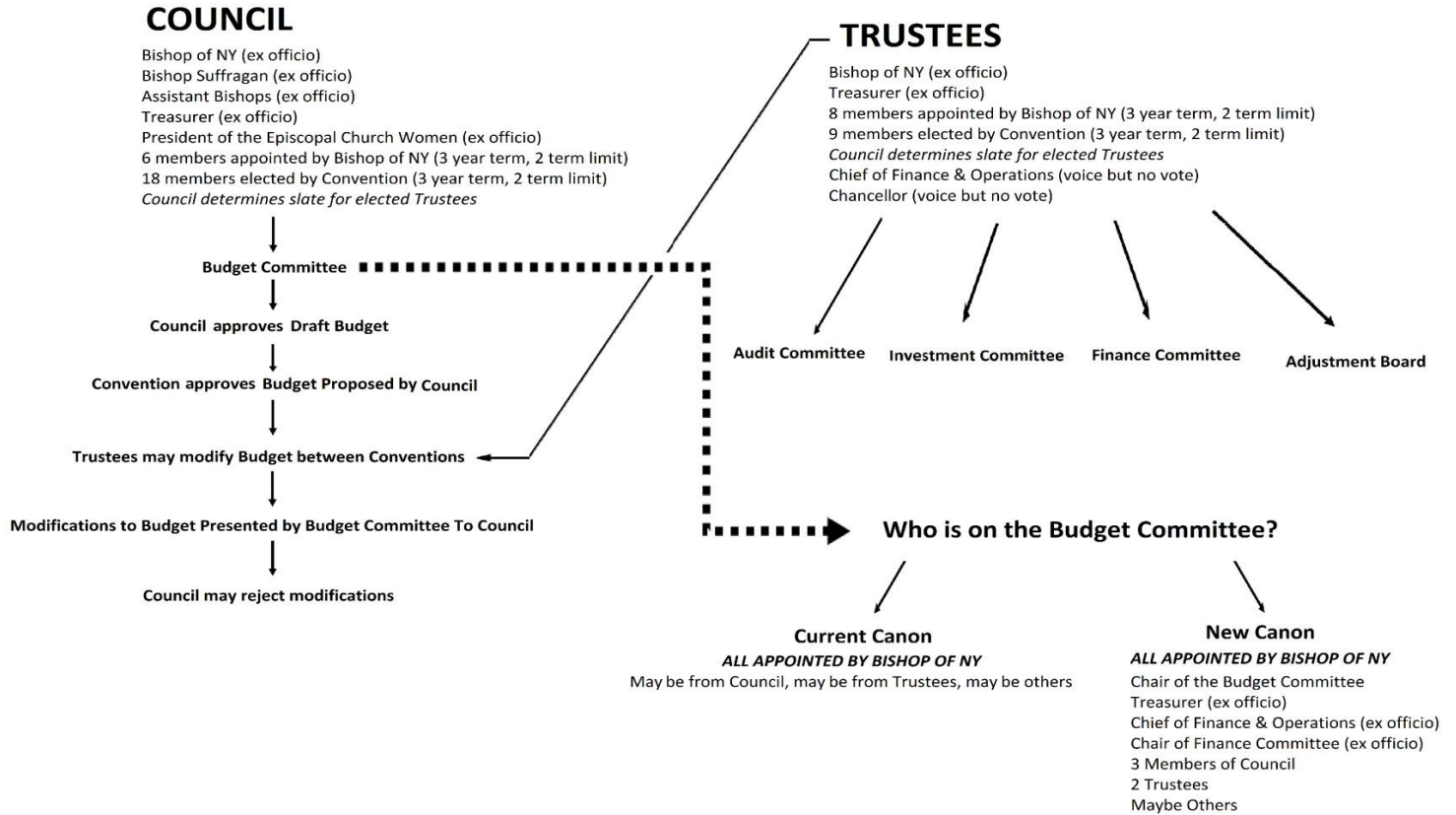
The current Canon lists several remedies: loss of any lay vote, being read out by the Secretary of Convention, or being converted to a Mission Congregation. Taking away only the lay vote seemed one sided. We recommend it to be expanded to include rectors and priests-in-charge of the congregation.

We have expanded the number of things that are published at Convention, and included them as incentives for payment.

The concept that being a Mission Congregation (renamed Congregation in a Strategic Setting in the proposed canonical amendments) is some form of punishment is offensive, and we have excised it from Canon 18. A congregation that is in default is vulnerable in some way, and if moving towards health will come from the congregation being converted to a mission, then that evaluation and process should be part of the Canon on Aided Intervention for Vulnerable Congregations.

Flowchart representing financial oversight bodies

The chart below shows the various bodies in our diocese that have oversight of finances. The chart lists current organizational structure and a proposed composition of the Budget Committee.



Addendum E

Proposer of Resolution: Strategic Plan Task Force C, The Rev. Matthew Mead, Chair

Parish or Organization:

Telephone and E-mail: 914-738-5515; matthew@christchurchpelham.org

Title of Resolution(s): Resolution on Continuing Financial Education for Clergy and Financial Leaders of our Congregations

Text of Resolution(s):

[21] *Resolved:* that the Chief of Finance and Operations, working with the Trustees, offer an annual workshop on budgets, registers, parochial reports, and audits for Bookkeepers, Priests, Wardens, and Treasurers; and be it further

[22] *Resolved:* that these workshops be offered in a different region of the diocese every year, beginning with New York City in 2017, Mid-Hudson in 2018, and Region 2 in 2019; and be it further

[23] *Resolved:* that these workshops be budgeted in the Apportioned Share Budget under “Continuing Congregational Education”; and be it further

[24] *Resolved:* that all clergy resident in the Diocese of New York attend one of these workshops at least once every five years as part of continuing financial education.

Commentary on Resolution

Perhaps the single most pressing concern heard throughout the listening sessions was a desire for more assistance and training for congregations (large and small) in the areas of finance. The Parochial Report and Audit, both required by canon to be submitted annually by every congregation, are logical starting points.

The Task Force recommends offering one workshop each year, and the Task Force recommends that that workshop be offered in a different region of the diocese every year, beginning with New York City in 2017, Mid-Hudson in 2018, and Region 2 in 2019.

A single, annual, half-day workshop would allow the necessary staff and volunteers to be present, and it would allow a larger group with greater diversity to take part in the workshop and learn from each other.

The Task Force envisions a visual presentation (PowerPoint) of how correctly to fill in a Service Register, Baptismal, Burial, Confirmation, and Marriage Registers, how correctly to

count and record “active baptized members”, and how correctly to fill in a Parochial Report. The presentation would be followed by a question and answer session after which the group would split into two subgroups to talk about Audits.

Participants from congregations with under \$250,000 Normal Operating Income (NOI) would meet together to be led through the Alternate Audit form. Participants from congregations with over \$250,000 NOI would meet together to be led through the how a standard audit should be undertaken and given guidelines that can be shared with auditors. Each audit session will conclude with an opportunity to share contact and other information on bookkeepers and auditors used by congregations in the diocese.

Narrative to the Compendium of Proposed Changes to the Canons of the Diocese of New York

September 12, 2016

Canon 2. Sec. 4

Please see notes regarding Canon 28 where we define and offer guidance for the reasoning of using the words “Priest-in-Charge” and “Congregations in Strategic Settings.”

Canon 3. Sec. 1

We have made changes due to the fact that in recent years, inclement weather has occasionally required postponing Convention. This allows the bishop and the president of the Standing Committee to postpone Convention accordingly.

Canon 4. Sec. 1

This allows for an electronic announcement of Diocesan Convention.

Canon 5. Sec. 2

This update allows the Calendar of Convention to be electronically distributed.

Canon 6. Sec. 2

This change clarifies that any Assistant Secretary of Convention serves only with that Secretary. Assistant Secretary terms do not outlast the Secretary’s term.

Canon 7. Sec. 1

This update is changed to reflect current practice and for uniformity.

Canon 7. Sec. 3

This change reorders the paragraphs for structural clarity and to reflect current practice.

Canon 8. Sec. 3

This revision eliminates the provision which requires that the Chancellor and Vice Chancellors not receive any compensation for their work. Indeed, the Bishop should be free to retain the Chancellor and the Chancellor’s firm on a legal project when that appears to the Bishop to be reasonable. Over the past 20 years the work of a Chancellor has become increasingly more complex and time consuming. This is true throughout the Church. At a recent National Conference of Chancellors, 50% of the 60 Chancellors present stated they receive some compensation for the work they do. The provision eliminates the requirement of no compensation, but does not require that fees be paid. Indeed, a Chancellor who is working without compensation should be able to head up a project that requires fees to be paid to him/her and her/his firm. In today’s legal world, the fact of the matter is that the requirement will substantially reduce the pool of active-Episcopalian lawyers from which to draw the next Chancellor or Vice Chancellor.

Canons 9 and 10 combined

This change reflects current practice. We currently do not have a registrar. That said, the archivist could help ensure that accurate and up to date records are held for all clergy serving the diocese.

Canon 10. Sec. 7

This change allows for electronic voting at conventions.

Canon 11. Sec. 3

This change corrects a typographical error.

Canon 13. Sec. 1

The name of the committee has been changed to the Committee for the Election of a Bishop since the committee does not elect a bishop as the current name implies. The proposed amendment removes the chancellor from the Committee for the Election of a Bishop and stipulates that the appointments by the Bishop shall be one clergy person and two lay persons, retaining the balance of five clergy and four lay persons on the committee. Although the chancellor will convene the first meeting, responsibility then falls to the chair of the committee rather than the chancellor.

Canon 13. Sec. 7

This allows for the electronic distribution the Report of the Committee for the Election of a Bishop.

Canon 13. Sec. 8

The change clarifies that the Standing Committee is responsible for placing in nomination those individuals nominated by petition when there is an election of a bishop.

Canon 13. Sec. 9

This change streamlines nominations from the floor into nominations by petition. Currently, the diocesan Canons allow for any nominations from the floor at any point during the electing convention. This does not allow either the Committee for the Election of a Bishop or the Standing Committee to adequately perform background checks. This change also brings our process more in line with current Episcopal practices.

Canon 13. Sec. 10

This section is deleted reflecting the current practice in most electing conventions. With the advent of widespread electronic distribution of nominee materials and the presentation of nominees through “walkabouts” there is less need for speeches on the floor of the electing convention. The deletion of the Section 10 does not prohibit the Standing Committee from making provision for speeches should it choose to do so.

Canon 13. Sec. 11

This further delineates how background checks are conducted so that the Committee for Election of a Bishop and the Standing Committee have all relevant information about the candidates.

Canon 13. Sec. 12

Section 12 is a new section that clarifies who calls the first meeting of the Committee for the Election of a Bishop. This section also now requires the chair of the committee to report regularly to the president of the Standing Committee. As the Standing Committee must ratify the Convention's choice, this more ably allows the Standing Committee to have all necessary facts about the state of the search and eventually about the candidates.

Canon 14. Sec. 3.4

As the Budget Committee remains a committee of Diocesan Council, this change allows for representation on the Budget Committee by two Trustees appointed by the Bishop (see Canon 17.2.1) who will be responsible for implementing the budget. Changing "monthly" to "quarterly" reports reflects current and accepted practices. This change also eliminates the Episcopal Housing Corporation, which is no longer in existence.

Canon 14. Sec 3.15-16

These changes allow for the creation of a Finance Committee for the Trustees and invites coordination with other diocesan bodies.

Canon 15

This canonical change seeks to bolster the role of the Diocesan Council in implementing the mission, program, and calendar of the diocese. A diocesan calendar becomes one of the chief roles of the Council, working with staff, commissions, and committees to ensure that events are organized and announced in a timely fashion. This change also mandates that Council report to congregations and conventions any relevant changes in practice from Diocesan and General Convention resolutions.

Canon 16. Sec 4

This canonical change reinstates Interparish Councils as a chief tool in organizing groups of congregations together for mission. Although the Clericus/Deanery structure is helpful for clergy in terms of mutual support and information-sharing (and we have no intention of changing that), we hope to add laity into these organizations which foster mission and support. If there is ever a time for congregations to come together, this is it. We also re-task the Interparish Councils to name lay and clergy who are willing to serve on Diocesan Council, and to raise laity, in general, to places of leadership within the diocese. We also envision that Interparish Councils will be the most appropriate places for pre-convention caucuses.

Canon 22. Sec. 3

This updates language to current parlance: The Episcopal Church.

Canon 23. Sec. 1

Please refer to Canon 28 for a further explanation.

Canon 23. Sec. 5

This change reflects the change of Canons 9 and 10 and replaces the reference to a Registrar with Archivist.

Canon 24

Title: A congregation without clergy is not vacant whole stop but rather has a vacancy in Cure.

Canon 24. Sec. 1-4

Simply capitalizes what is an official term of this Canon. Please refer to Canon 28 for the explanation of new terms.

Canon 24. Sec. 5

Section 5 needs to be eliminated to reflect current best practices as defined by The General Convention's Canon III.9.3(c).

Canon 25

These changes simply capitalize what are terms of this Canon and changes "parish" to the more generalized "Congregation."

Canon 26. Sec. 5

This change simply capitalizes what is an official term of this Canon.

Canon 27

Again, see Canon 28 for further clarification on "Congregations in Strategic Settings." Twenty people seems like a fair threshold to undertake this process, and the other changes reflect the reality that congregations often involve people from wide geographic areas.

Canon 28

The Task Force recommends a complete overhaul of the Mission Canon to effectively deal with new realities and the conclusion of the Congregational Support Plan.

- ❖ The Canon renames "Missions" as "Congregations in Strategic Settings" and eliminates the older practice of labeling clergy as "Vicars," instead offering "Priest-in-Charge."
- ❖ "Congregations in Strategic Settings" retains the word "Congregation" but also clearly describes the type of congregation: the front lines of ministry, supported by the diocese.
- ❖ "Priest-in-Charge" is an effort to create a more horizontal and less vertical description of the various roles clergy play in different sorts of congregations.
- ❖ This Canon also clearly states that the bishop is in charge of such congregations but also makes allowance for designees to oversee such congregations should the bishop so choose.

Canon 29

Canon 29 on Aided Intervention for Vulnerable Congregations is a proposed new Canon and provides the spiritual and temporal resources of the diocese to aid congregations that have become unsustainable. In addition, this Canon provides the means by which a congregation can collaborate with the diocese to create sustainability.

Under this Canon, a congregation is encouraged to access the full range of diocesan resources

to assist the congregation in the amelioration of the conditions, whether situational or systemic, that has placed the viability of that congregation at risk.

In those circumstances where a congregation's historic mission and sacramental ministry are no longer sustainable, provision is made to complete the existence of that congregation with adequate time and care taken given the complexities of such situations. Then, this Canon makes provisions for the remaining resources to be made available to support new missional initiatives in that region. In this way, the sacramental legacy of that congregation is preserved so as to ensure the continued proclamation of the Gospel of Jesus Christ for generations to come.

Canon 32

Canon 32 is a proposed new Canon intended to provide a process for becoming a "Designated Ministry" of the Diocese of New York. The proposed Canon will strengthen such relationships by providing structure, support, and accountability.

Examples of such Designated Ministries might include the establishment of a relationship with the Church of South India Hudson Valley congregation currently renting the parish property once occupied by St. Mary's in Scarborough, the establishment of new church plants, house churches, or intentional communities.

This proposed Canon is a result of the concern that due to the customary burden of infrastructure associated with being a more traditional Congregation, some worshipping communities in the future might form without such an infrastructure yet still wish to be part of a wider diocesan community. The Canon provides such groups voice and a connection to the diocese.

Canon 33

These changes bring this Canon in line with Title IV (disciplinary Canons) of the General Convention Canons.

Canon 34. Sec. 1, 3, 6

These changes correct a typographical error and provides for consistency of terms.

Canon 35

Amending a Constitution should be a two-year process, but Canons should be allowed to be changed by a simple majority at one convention. This change ensures that we can more effectively respond to changing situations in the diocese.

Canon 36

This change reflects a more concerted effort to save paper and allow for electronic means of communicating diocesan business.

Compendium of Proposed Changes to the Canons of the Diocese of New York September 12, 2016

PART I - CONVENTION OF THE DIOCESE

CANON 1-CLERICAL MEMBERS

Sec. 1. List of Clerical Members: The Bishop shall maintain a list of all Clergy who are entitled to membership in the Convention under Article IV of the Constitution, which list shall show their titles and places of residence; but members of the Clergy under suspension shall not be included on the list.

Sec. 2. Clerical Records:

(1) The Secretary of Convention shall maintain a record, to be kept in accordance with the Canon of the General Convention relating to the Filling of Vacant Cures, of all notices of the election of Rectors that shall be transmitted to her/him in accordance with that Canon.

(2) Every Bishop, Priest and Deacon who shall be received into this Diocese shall procure from the Bishop, or in case of the absence or disability of the Bishop, or of a vacancy in the Episcopate, from a majority of the clerical members of the Standing Committee, duly convened, a certificate stating that he/she has been received into this Diocese in compliance with the Canon of the General Convention. A copy of the certificate shall be filed with the Secretary of Convention.

(3) Every Bishop, Priest, and Deacon employed as a Missionary under the direction of the Convention shall procure from the Bishop, or in case of the absence or disability of the Bishop, or of a vacancy in the Episcopate, from the Commission on Ministry, a certificate that he/she is so employed. A copy of said certificate shall be filed with the Secretary of Convention.

(4) Every Bishop, Priest, and Deacon engaged as a Professor or Instructor in an incorporated institution of learning, or as Superintendent or Chaplain in any incorporated charitable institution, shall procure the written certificate of the President or Secretary of such Corporation that he/she is so employed. A copy of said certificate shall be filed with the Secretary of Convention.

CANON 2-LAY MEMBERS

Sec. 1. Choosing and Qualifications of Lay Members, Vacancies and Provisional Members:

(1) Lay Members from each Congregation shall be chosen in accordance with rules established by the Congregation. Each congregation may also choose as many Provisional Lay Members as may be required to fill vacancies among the elected Lay Members occurring by resignation, death, inability to attend Convention or otherwise.

(2) Persons, whether male or female, of the age of eighteen years or more shall be eligible to serve as Lay Members or Provisional Lay Members to any Convention, and to be elected to any Diocesan committee, commission or other lay office of the Diocese. If a person selected as a Lay Member or Provisional Lay Member is not a member of his/her Congregation's Vestry, he/she must belong to the Congregation being represented; must, ~~if such Congregation be a Parish,~~ be entitled to vote for wardens and vestry members thereof; and must have been a member of the Congregation for at least one year prior to his/her selection.

(3) The evidence of the appointment of a Lay Member or a Provisional Lay Member shall be a certificate on the form provided by the Secretary of the Convention stating the time and place of appointment, signed by the Rector of the Congregation and by the Clerk of the Vestry, or, in the case of any Congregation that does not have a Rector or a Vestry, by such other officers of the Congregation as may be acceptable to the Secretary. The certificate must show on its face that the appointment has been made in accordance with all the requirements of this Canon, and shall certify that the Lay Member or the Provisional Lay Member is duly qualified. No other evidence of appointment of any Lay Member or Provisional Lay Member shall be received or honored by the Secretary.

(4) If for any reason a vacancy shall occur among the Lay Members of a Congregation, it shall be the duty of the Rector, or if there be no Rector or the Rector be absent or disabled, the duty of the Church Wardens or one of them, or in the case of a ~~Mission~~ Congregation **in a Strategic Setting**, the duty of the Vicar **Priest-in-Charge**, or if there be no Vicar **Priest-in-Charge** or if the Vicar **Priest-in-Charge** be absent or disabled, the duty of the Clerk of the Advisory Board, to designate in writing a Provisional Lay Member to fill the vacancy. Such written designation, when filed with the Secretary of the Convention, shall be sufficient evidence of the right of the person therein designated to represent the Congregation as a Lay Member.

Sec. 2. Certificate of Appointment of Lay Members: When the Secretary provides the notice required by Canon 4, he/she shall also mail or otherwise transmit to the Clerk of each Congregation in union with Convention a blank printed form of Certificate of Lay Members, together with a copy of Sec. 1 of this Canon 2.

Sec. 3. List of Lay Members: Immediately after the appointment of Lay Members, and at least sixty days prior to the meeting of the Convention, it shall be the duty of the Clerk of each congregation in union with Convention to certify all such appointments to the

Secretary of the Convention in the form prescribed by this Canon. From the certificates thus received, the Secretary shall prepare a list of Lay Members for use in organizing the Convention.

Sec. 4. Choosing and Qualifications of Youth Members, Vacancies and Provisional Members:

(1) Youth Members from each Region of the Diocese or from each county where there is no Region shall be chosen by an Appointing Authority as follows: if from a Region, by the Regional Council from nominees presented by member congregations in accordance with rules established by the Region; if from a county within the Diocese in which there is no Regional Council, then by any other regional body set up pursuant to Canon ~~17~~ **16**; and, if there be none for that county, then by the Council of the Diocese. The Appointing Authority may also choose as many Provisional Youth Members as may be required to fill vacancies among the elected Youth Members occurring by resignation, death, inability to attend Convention or otherwise.

(2) The Youth Member or Provisional Youth Member, must be affiliated with a Congregation in the Region or county being represented, be regularly present at worship, and be more than twelve but less than eighteen years of age on the date Convention is scheduled to convene.

(3) The evidence of the appointment of a Youth Member or a Provisional Youth Member shall be a certificate on the form provided by the Secretary of the Convention stating the time and place of appointment, signed by the Chair of the Appointing Authority, or if there be no Chair, then by such other officer as may be acceptable to the Secretary. The certificate must show on its face that the appointment has been made in accordance with all the requirements of this Canon, and shall certify that the Youth Member or the Provisional Youth Member is duly qualified. No other evidence of appointment of any Youth Member or Provisional Youth Member shall be received or honored by the Secretary.

(4) If for any reason a vacancy shall occur among the Youth Members of a Region or county, it shall be the duty of the Chair of the Appointing Authority, or if there be no Chair, by such other officer as shall be acceptable to the Secretary, to designate in writing a Provisional Youth Member to supply the vacancy. Such written designation, when filed with the Secretary of the Convention, shall be sufficient evidence of the right of the person therein designated to represent the Region or county.

Sec. 5. Certificate of Appointment of Youth Members: At the time for sending the notice required by Canon 4, the Secretary shall mail or otherwise transmit the Appointing Authority a blank printed form of Certificate of Youth Members, together with a copy of Sec. 1 of this Canon.

Sec. 6. List of Youth Members: Immediately after the appointment of Youth Members, and at least sixty days prior to the meeting of the Convention, it shall be the duty of the Chair

of the Appointing Authority, or, if there be no Chair, some other officer acceptable to the Secretary, to certify all such appointments to the Secretary in the form prescribed by this Canon. From the certificates thus received, the Secretary shall prepare a list of Youth Members for use in organizing the Convention.

CANON 3-ORGANIZATION OF CONVENTION

Sec. 1. Quorum: The presence at convention of at least fifty clerical members and at least one lay member from each of forty congregations shall be necessary for the transaction of business, except that a smaller number may adjourn from day to day. **When deemed necessary, the Bishop, with the concurrence of the President of the Standing Committee, may adjourn the Convention to a date certain not later than twelve weeks after the date originally set by the prior Convention.**

Sec. 2. Call to Order: At the opening of the convention, the President, as provided in the Constitution, shall call the meeting to order.

Sec. 3. Roll Call of Members: Satisfactory evidence of the presence of a canonical quorum of each order being laid before the Convention by the Secretary, the President shall dispense with the call of names appearing on the lists of Clerical Members and Lay Members, except that such call shall be required when requested by a majority vote of the Members of the Convention present. The Secretary shall secure a correct list of the Clerical and Lay Members present in any event.

Sec. 4. Organization of Convention: A quorum being present, the President shall declare the Convention organized.

Sec. 5. Rules of Order: Robert's Rules of Order shall be in effect, subject to the Constitution and Canons of the Diocese.

CANON 4-NOTICE OF CONVENTION

Sec. 1. Unless otherwise directed by Convention, the Secretary shall give written notice of the time and place of any meeting of Convention by ~~mailing~~ **providing** a copy of that notice to (1) each Clerical Member of Convention, and (2) the Clerk of each congregation that is in communion with Convention. Notice to the Clerk of a Congregation shall be sent to the address listed on the congregation's Parochial Report. The notice shall be ~~mailed~~ **provided** at least ninety days prior to the date set for holding the Convention.

Sec. 2. Notice of any Special Convention shall specify the purpose for which the Convention is called.

Sec. 3. Any notice sent pursuant to this canon shall invite Members to file with the Convention Office, no later than sixty days prior to the date set for Convention: (1) the text of any resolution they wish to place before Convention; (2) proposals for

presentations to be made at Convention; and (3) proposals for any other business to be brought before Convention. The Secretary shall forward any matters so submitted as follows: resolutions requiring canonical changes to the Committee on Canons; all other resolutions to the Committee on Resolutions; and proposals for presentations or other business to the Convention Planning Committee. The committee to which a resolution or proposal is referred, working with the proponent, shall review the matter, consider whether it is appropriately considered by Convention, and, in the case of resolutions, whether the text should be revised or refined prior to its presentation to Convention.

CANON 5-CALENDAR OF BUSINESS

Sec. 1. The Secretary shall prepare a calendar of business for Convention, which shall set forth (1) the text of every resolution reviewed by the Committee on Canons and the Committee on Resolutions as provided under Canon 4 and not withdrawn by its proponent, as revised or refined with the consent of the proponent, together with the name[s] of the proponent[s] of such resolution; (2) a list of the offices to be filled, together with information about the persons who have been nominated to fill them, as required by Canon ~~11~~ **10**; and (3) a list of the names of canonically resident clergy who are not entitled to vote at Convention.

Sec. 2. Not less than thirty days prior to the date set for the meeting of Convention, the Secretary shall cause the calendar of business to be ~~printed and mailed~~ **forwarded** to all Clerical Members of Convention and to each Lay Member, Youth Member and Provisional Lay or Provisional Youth Member whose appointment has been duly certified to the Secretary as provided in Canon 2.

PART II - OFFICERS OF CONVENTION AND THE DIOCESE

CANON 6-SECRETARY OF CONVENTION

Sec. 1. The Secretary of Convention shall have such authority and duties as may from time to time be imposed by the Constitution and Canons of the Diocese and by the Canons of the General Convention. In addition, after each meeting of convention, the Secretary shall transmit a copy of the Journal of such Convention to each Clerical Member thereof, to each Clerk of the Congregation, to each of the Bishops of ~~the~~ **The** Episcopal Church ~~in the United States of America~~, to each Secretary of a Diocesan Convention who requests it, and to any Member of this Convention who may request a copy in writing within 30 days after the close of such meeting. The expenses incurred by the Secretary in the performance of her/his official duties shall be paid out of the Assessment Budget.

Sec. 2. The Secretary shall have power to appoint Assistant Secretaries, whose terms of office shall coincide with the term for which the Secretary shall have been elected **and shall not exceed the term of the Secretary**. In case of a vacancy in the office of Secretary of

Convention or in case of the Secretary's disability, her/his duties shall devolve upon one of the Assistant Secretaries, in the order of their appointment and if there be no Assistant Secretary, then upon the Secretary of the Standing Committee.

Sec. 3. The Secretary shall notify, in writing, the members of all committees named as a result of any action of the Convention immediately upon their appointment or election.

CANON 7-TREASURER, CHIEF OF FINANCE AND OPERATIONS, AND CONTROLLER OF THE DIOCESE

Sec. 1. The Treasurer of the Diocese shall have the authority and the duties as may from time to time be imposed by the Constitution of the Diocese and by the Canons of the General Convention of The Episcopal Church in the United States of America (ECUSA) **shall have such authority and duties as may from time to time be determined by the Constitution and Canons of the Diocese or by the Constitution and Canons of the General Convention.** In addition, the Treasurer shall provide, through the Controller **Chief of Finance and Operations and her/his staff, including the Controller,** (a) for the deposit of all monies or funds belonging to the Diocese in such banks or places of deposit as the Trustees of the Diocese may authorize, and (b) for the keeping of books of accounts, which shall be open to inspection of the Trustees of the Diocese. The Treasurer shall also give such information upon the finances of the Diocese and the conduct of the Treasurer's Office as may be required by the Trustees of the Diocese or by the Convention. The Treasurer shall submit a report to each annual meeting of Convention identifying all accounts under her/his authority, which accounts shall be audited by a certified or independent public accountant or firm of accountants selected by the Trustees of the Diocese. The Treasurer shall give the bond or security that from time to time may be required by the Trustees of the Diocese, and the expense thereof, and any expenses incurred by her/him in the performance of her/his official duties, shall be paid out of the Assessment Budget.

Sec. 2. In case of a vacancy in the office of the Treasurer, or in case of her/his disability, the Trustees of the Diocese shall appoint a Treasurer Pro Tempore, and the person so appointed shall continue to act until Convention shall elect a new Treasurer.

Sec. 3. There shall be a Chief of Finance and Operations of the Diocese who shall be appointed by the Trustees of the Diocese. The Bishop of New York shall define the duties of the Chief of Finance and Operations.

Sec. 4. There shall be a Controller of the Diocese who shall be appointed by the **Bishop upon the advice of the Chief of Finance and Operations of the Diocese** Trustees of the Diocese and who shall **report to the Chief of Finance and Operations of the Diocese** under the general supervision of the Treasurer, **and** serve as the principal agent for the receipts and disbursements of the monies collected by the Diocese.

~~There shall be a Chief of Finance and Operations of the Diocese who shall be appointed by the Trustees of the Diocese. The Bishop of New York shall define the duties of the Chief of Finance and Operations.~~

CANON 8-CHANCELLOR OF THE DIOCESE

Sec. 1. There shall be a law officer to be known as the Chancellor of the Diocese of New York, who shall be a resident communicant and a member of the Bar of the State of New York. The office shall be held under the appointment and during the pleasure of, and for the purpose of giving legal advice to, the Ecclesiastical Authority of the Diocese.

Sec. 2. The Bishop may, from time to time, upon request of the Chancellor, appoint one or more Vice-Chancellors of like qualifications, to assist the Chancellor, such Vice-Chancellors to hold office during the pleasure of the Bishop.

Sec. 3. ~~Neither the Chancellor nor any Vice-Chancellor shall receive any compensation for such service.~~

CANON 9-REGISTRAR AND ARCHIVIST OF THE DIOCESE

Sec. 1. The Registrar Archivist of the Diocese shall hold office under the appointment and during the pleasure of the Bishop.

Sec. 2. It shall be the Registrar Archivist's duty, under the direction of the Bishop, to aid in keeping a record of Episcopal acts, and in preparing official documents for Episcopal signature, and in keeping lists of the Clergy and of Candidates for Holy Orders. **It shall also be the duty of the Archivist, under the direction of the Bishop, to collect, preserve, arrange and edit historical and biographical matter pertaining to the Diocese, its Congregations, institutions and activities, and its clergy** and to submit to Convention an annual report.

Sec. 3. The Registrar Archivist shall have the custody of the archives of the Diocese, **and** shall ~~attend the Bishop, as and when required, at ordinations and other religious services, and shall~~ perform such other acts in relation to the custody, use, certification and transmission of official records and documents as the Bishop may prescribe.

CANON 10-HISTORIOGRAPHER OF THE DIOCESE

Sec. 1. ~~The Historiographer of the Diocese shall hold office under the appointment and during the pleasure of the Bishop.~~

Sec. 2. ~~It shall be the Historiographer's duty, under the direction of the Bishop, to collect, preserve, arrange and edit historical and biographical matter pertaining to the Diocese, its Congregations, institutions and activities; and to submit to Convention an annual report.~~

PART III - NOMINATIONS AND ELECTIONS IN CONVENTION

CANON ~~11~~ 10-NOMINATIONS AND ELECTIONS

Sec. 1. Membership Lists for Information: Not less than ninety days before the meeting of the Convention the Secretary shall send to all Clerical Members and clerks of all congregations, for their information and for the information of the Lay Members in their congregations, a list of the membership of all deputations, committees, commissions and boards (not including, however, trustees of funds) and of vacancies thereon to be filled by election at such Convention.

Sec. 2. Nominating Committee: The Leadership Development Commission of the Council of the Diocese shall act as the nominating committee for all offices to be filled by elections at the annual Convention, except the offices of Bishop, Bishop Coadjutor, or Bishop Suffragan ~~or Trustee of the Diocese~~. The Leadership Development Commission, after consultation with the Bishop and any regional bodies established pursuant to Canon ~~17~~ 16, shall place in nomination candidates for each vacant office.

Sec. 3. Prior to every third convention beginning in 1997, and whenever there is an interim vacancy as provided in Canon ~~32~~ 33, the Leadership Development Commission, after consultation with the Bishop and the Committee on Canons, shall nominate one person for each position on the ~~Ecclesiastical Trial Court~~ Disciplinary Board.

Sec. 4. The Leadership Development Commission, after consultation with the Bishop, shall submit to the Council a list of proposed nominees for the office of Trustee of the Diocese. The Council of the Diocese shall nominate candidates for that Office.

Sec. 5. Nominations by Convention Members: Any member of Convention may make nominations for the Standing Committee, for Clerical and Lay Deputies and Provisional Deputies to the General Convention and to the Provincial Synod of the Second Province, for Trustees of the Diocese, and for any other committees, commissions and boards (except the ~~Ecclesiastical Trial Court~~ Disciplinary Board) to be elected by the Convention, provided such nominations are made in writing, signed by such Member and four other Members of the Convention, and delivered to the Secretary at least forty-five days before the opening of the Convention. With the nomination, the proposer shall deliver to the Secretary a statement, in writing, of the occupation, residence and congregation of the candidate nominated, together with a brief note setting forth the candidate's professional or business experience and any important activities or other qualifications. It shall be the duty of the Secretary upon receipt of such nominations to communicate, in writing, with each of the nominees for the same office and, in all instances where the Secretary receives notice from any nominee in writing that such nominee desires to withdraw his/her name from nomination, the nomination of such candidate or candidates shall be disregarded by the Secretary.

Sec. 6. Nominees Listed in Calendar of Business: The Secretary shall include in the Calendar of Business a list of persons nominated, their places of residence, congregational affiliations, their professional or business experience and any important activities or other qualifications together with the names of the present members of the Standing Committee, Deputies to General Convention and Deputies and Provisional Deputies to the Provincial Synod of the Second Province, Trustees of the Diocese, and members of any other committees, commissions and boards (not including trustees of funds) to be elected by the Convention.

Sec. 7. Ballots: All nominations shall be reported to the Convention by the Secretary on or before the first day's session in the form of a ballot on which the names shall be arranged in alphabetical order, omitting therefore the names of all nominees who have withdrawn. ~~The voter shall place a mark beside the name of each person for whom he/she votes.~~ The number of vacancies to be filled shall be printed **listed** on each ballot **or screen**, and no ~~ballot vote~~ shall be counted on which more names are marked than there are vacancies to be filled.

Sec. 8. In elections, unless otherwise directed by Canon, the voting shall be by ballot, provided that balloting may be dispensed with by a unanimous vote of the Convention. Balloting shall be by Orders, and, except in the case of a third ballot (if there be one), the concurrence of a majority of each Order shall be necessary for an election, provided that if in any election a greater number of persons than the number of offices to be filled shall receive a canonical majority of the votes cast, those who up to the number of offices to be filled receive the largest canonical majorities in both Orders shall be declared elected. Except in the election of a Bishop, Bishop Coadjutor or Bishop Suffragan, ~~(i)~~ **(1)** the number of nominees on any second or third ballot shall be reduced, if necessary, so that there shall be twice as many nominees as there are vacancies remaining to be filled, such reduction to be effected by striking from the ballot, to the extent required for such reduction, the names of the nominees receiving in order the lowest aggregate number of votes of both Orders in the ballot last preceding, and ~~(ii)~~ **(2)** any vacancy or vacancies remaining unfilled after taking the third ballot shall be filled by the President's declaring elected to such vacancy or vacancies the remaining nominee or nominees who shall have received on the third ballot the highest aggregate number of votes of both Orders.

CANON ~~12~~ 11-DEPUTIES TO GENERAL CONVENTION

Sec. 1. The Annual Convention in the second year preceding a stated meeting of the General Convention shall elect by ballot four Clergy and four Lay persons to act as Deputies from this Diocese to the General Convention. The Annual Convention in the year preceding a stated meeting of the General Convention shall elect by ballot four Clergy and four Lay persons to act as Provisional Deputies from this Diocese to the General Convention. Deputies and Provisional Deputies shall hold their respective offices until their successors are appointed, and shall be Deputies, or Provisional Deputies, to any General Convention which may be held during their continuance in office.

Sec. 2. Should any vacancy occur among the Deputies or Provisional Deputies between the stated times of election, the vacancy shall be supplied by any Convention during or prior to which such vacancy shall occur.

Sec. 3. It shall be the duty of the Deputies-elect to signify to the Bishop within sixty days of their election their intention to perform their duties, in default of which the Bishop shall designate from the list of Provisional Deputies so many as may be necessary to insure, as far as practicable, a full representation of the Diocese appointing in order when possible those who have received the highest number of votes. The Bishop also from time to time shall similarly appoint one of the Provisional Deputies to supply, either temporarily or permanently, any vacancy caused by the death, absence or disability of any Deputy. During such period as shall be stated in the certificate issued to her/him by the Bishop, the Provisional Deputy so ~~designed~~ **designated** shall possess, and shall be entitled to exercise, the power and authority of the Deputy in place of whom he/she shall have been designated.

CANON 13 12 -DEPUTIES TO PROVINCIAL SYNOD

Sec. 1. The Annual Convention in the second year preceding a stated meeting of the Provincial Synod shall elect by ballot four Clergy and four Lay persons to act as Deputies from this Diocese to the Provincial Synod. The Annual Convention in the year preceding a stated meeting of the Provincial Synod shall elect by ballot four Clergy and four Lay persons to act as Provisional Deputies from this Diocese to the General Convention. Deputies and Provisional Deputies shall hold their respective offices until their successors are appointed, and shall be Deputies, or Provisional Deputies, to any Provincial Synod which may be held during their continuance in office.

Sec. 2. Should any vacancy occur among the Deputies or Provisional Deputies between the stated times of election, the vacancy shall be supplied by any Convention during or prior to which such vacancy shall occur.

CANON 14 13 -NOMINATION ELECTION OF A BISHOP

Sec. 1. Whenever the Ecclesiastical Authority of the Diocese shall call for the election of a Bishop, Bishop Coadjutor or Bishop Suffragan, and the Convention, where required shall have given its consent thereto, a committee ~~to~~ **for the election** elect of a bishop shall be appointed, consisting of (a) **three appointments, one of whom must be clerical and two of whom must be lay members** ~~one clerical member and one lay member~~ appointed by the Ecclesiastical Authority, (b) one clerical member and one lay member appointed by the Standing Committee, (c) two clerical members appointed by the Council of the Diocese, (d) one clerical member and one lay member elected each year by the Convention, ~~and the Chancellor or a Vice-Chancellor, as appointed by the Ecclesiastical Authority.~~ **In appointments and elections, effort should be made to reflect the geographic and other diversities of the Diocese.** No person may be elected by the Convention to serve on the ~~Committee to elect a Bishop~~ **Committee for the Election of a Bishop** for more than three consecutive years. The Committee shall be constituted not less than eight months

prior to the date set for the Convention at which such election is to be held. Concurrently with the call for the election of a Bishop, Bishop Coadjutor or Bishop Suffragan, the Ecclesiastical Authority shall propose to the Convention a budget for the expenses of the election. The ~~Committee to Elect a Bishop~~ **Committee for the Election of a Bishop** may take no action until a budget for its work has been approved by Convention.

Sec. 2. The Committee may at any time fill any vacancies in its membership for whatever reason caused. Vacancies in the clerical membership shall be filled with clergy and in the lay membership with laity.

Sec. 3. The members of the Committee shall continue as members thereof until the close of the Convention at which the Bishop, Bishop Coadjutor, or Bishop Suffragan shall have been elected or until the Committee shall have been discharged by action of the Convention.

Sec. 4. The Committee shall choose its chair and secretary from among its members, and shall have power to adopt rules and regulations governing its procedures that are not inconsistent with this Canon.

Sec. 5. The Committee shall call for, receive and may itself propose for its consideration names of clergy who may lawfully be elected to the Episcopal office to be filled, and fix the time within which such suggested names may be filed with the Committee, but in no event less than 120 days prior to the date set for the Convention at which such election is to be held. Any member of the Committee whose name is proposed for consideration as a candidate for Episcopal office and who does not withdraw her/his name as candidate shall resign from the Committee.

Sec. 6. The Committee shall inform itself as to the persons so proposed and, after due consideration, shall select not more than five whom it deems qualified for such office. The Committee shall prepare a report to the Convention giving the names of the persons so selected, together with biographical information about each candidate.

Sec. 7. The Report of the Committee shall be ~~printed and mailed or otherwise transmitted~~ **released** by the Secretary of the Convention in the manner provided in Canon 4, **Sec. 1.** not less than 60 days prior to the date set for the Convention at which such election is to be held. Not less than two weeks prior to the electing convention, the Secretary shall ~~also mail or otherwise transmit~~ **release** a copy of said Report to each Member and Provisional Lay Member, evidence of whose appointment shall have been duly certified to the Secretary as provided in Canon 2.

Sec. 8. The presentation of the Report of the Committee shall be the first order of business at any electing Convention, and it shall constitute a nomination of each of the candidates therein named. If any candidate so nominated shall withdraw her/his name, the Committee may substitute the name of another candidate theretofore considered by the Committee and deemed qualified, and such a substitution shall constitute a nomination of the person so

named. **The Standing Committee shall place in nomination those individuals nominated by petition and approved by the Standing Committee.**

Sec. 9. Nominations may be made from the floor at any time after the report of the Committee shall have been presented and until the close of the electing Convention or until an election shall have taken place, except that no nomination may be made when a vote is being taken **by petition of at least twenty members of Diocesan Congregations**

received by the Chair of the Committee not later than twenty-five days after the Secretary of Convention has released the Report of the Committee as provided in Sec. 7.

Sec. 10. In the case of all candidates nominated, whether by presentation of the Report of the Committee or from the floor, there shall be no more than three speeches made in support of the nomination. The first speech shall be limited to five minutes, the next speech to three minutes, and the third speech to one minute.

Sec. 11 10. The Election of any candidate who is nominated from the floor shall not be certified by the Secretary and the Standing Committee until the nominee presents evidence that he/she has successfully completed all background checks that the committee to elect a bishop required of persons considered during its deliberations. **All candidates for election shall complete background checks. For candidates submitted by the Committee to Elect a Bishop, background checks shall be completed six weeks prior to the projected date of communication of the Committee's Report to the Standing Committee. For those nominated by petition, background checks shall be completed before wider gatherings such as walkabouts commence.**

Sec. 11: **The Chancellor shall convene the Committee and will preside only until the Committee elects its Chair pursuant to Sec. 4. The Chair of the Committee shall meet monthly with the President of the Standing Committee to report progress of the Committee. The final slate of candidates proposed by the Committee shall be communicated to the Standing Committee at least five days before release of the Committee's Report to Convention as provided in Sec. 7.**

PART IV - ORGANIZATION AND FUNDING PROGRAM OF THE DIOCESE

CANON 15 14-TRUSTEES OF THE DIOCESE OF NEW YORK

Sec. 1. The Trustees of the Diocese shall consist of the Bishop, who shall serve as Presiding Officer; the Bishop Coadjutor (if there be one); the Treasurer of the Diocese; nine (9) members elected by Convention; eight (8) members appointed by the Bishop; and the Chancellor and the Chief of Finance and Operations of the Diocese. The Chancellor and the Chief of Finance and Operations of the Diocese shall have voice but not vote as members of

the Trustees. The seventeen (17) members who serve other than by virtue of their office shall be elected or appointed, as may be, for terms of three (3) years. Vacancies in seats held by elected Trustees shall be filled by the Trustees until the next Convention, when the Convention shall elect a candidate to serve the unexpired term. Vacancies in seats held by appointed trustees shall be filled by the Bishop. An elected or appointed Trustee who has served for two consecutive three-year terms (or a total of six consecutive years) shall be ineligible to be elected or appointed until at least two years have elapsed since the end of such person's previous term as Trustee.

Sec. 2. Trustees as Board of Managers: The Board of Managers of the Diocesan Missionary and Church Extension Society of the Protestant Episcopal Church in the Diocese of New York shall consist of the Bishop, who shall be President; the Treasurer of the Diocese, who shall be Treasurer; and those others persons who serve from time to time as Trustees of the Diocese of New York.

Sec. 3. Duties of the Trustees: The duties and responsibilities of the Trustees shall be:

1. To hold title to all Diocesan property as agents of the Board of Managers and to act as agent for the Diocese, including receiving referrals from the Property Support Committee for major improvements, new construction and other major capital activities.
2. To act as the managers of all Diocesan assets, including all financial and real properties and as such they shall:
 - a. Establish and monitor Diocesan investment policy;
 - b. Establish short and long term financial goals for the Diocese, including establishing a process to provide multiple-year commitment and funding for Diocesan program and mission;
 - c. Supervise the management of all Diocesan funds;
 - d. Act as agent for the Diocese with respect to the Diocesan Investment Trust ~~and The Episcopal Housing Corporation.~~
- ~~3. With the support of the Controller, to assume responsibility for the timeliness and accuracy of parochial reports, and the prompt collection of parochial assessments, subject to the action of the Adjustment Board as described in Canon 18.~~
4. **3.** **Through the two Trustees appointed by the Bishop in accordance with Canon 17.1.2,** to work with the Budget Committee to propose an annual budget for submission to Council for approval or amendment.
5. **4.** To cause to be prepared ~~monthly~~ **quarterly** and annual Diocesan Financial Reports and provide for an annual independent audit of all Diocesan finances.
6. **5.** To plan and to coordinate the raising of capital funds for the Diocese.
7. **6.** In the event of a vacancy, to consult with the Standing Committee prior to their appointing a Treasurer of the Diocese in accordance with the term of Canon 7, Section 2.
- ~~8. To appoint a Controller of the Diocese in accordance with the terms of Canon 7, Section 3.~~
9. **7.** To appoint a Chief of Finance and Operations of the Diocese in accordance with the terms of Canon 7, Section 3.
10. **8.** To review annually and provide for adequate insurance coverage for the Diocese;

11. 9. To provide for adequate bonding or security associated with positions of Diocesan fiscal responsibility;
12. 10. To serve as agent for the Diocese and the Bishop in monitoring the financial affairs of institutions affiliated with the Diocese under the terms of Canon 31.
13. 11. To review, before submission to the Standing Committee, all requests by parishes **Congregations** for consents under the Religious Corporations Act **Law** for the sale or alienation of real estate.
14. 12. To provide guidance to parishes **Congregations** and affiliated agencies in the Diocese in the exercise of their fiscal duties.
15. 13. To record all of their actions in minutes which shall be conveyed to Council.

14. To establish a Finance Committee as a standing committee of the Trustees, of which the Chair of the Budget Committee shall be a member (ex officio).

15. In performing their duties and responsibilities, the Trustees shall coordinate their deliberations and actions with the Diocesan Council and with other Diocesan bodies, committees, units, officers, and the Bishop's staff.

CANON ~~16~~ 15-COUNCIL OF THE DIOCESE OF NEW YORK (substitute)

Sec. 1. The Council and its Role: There will be a Council of the Diocese that shall, with the Bishop, oversee the mission, program and calendar of the Diocese of New York. In overseeing the mission, program, and calendar of the Diocese, the Council of the Diocese shall coordinate its deliberations and actions with the Trustees, Standing Committee, and other Diocesan bodies, committees, units, officers and the Bishop's staff.

Sec. 2.

(1) Convention Resolutions: To further the mission and program of the Diocese, the Council of the Diocese shall oversee and coordinate the responses of the Diocese and its Congregations, and their efforts to implement, resolutions relating to the mission and program of the Diocese that may be passed by the Diocesan Convention and/or the General Convention. Following any General Convention, the Diocesan Council will report to the Diocesan Convention regarding any resolutions pertinent to the mission and program of the Diocese and their implications for the Diocese and its Congregations.

(2) Emergency Resolutions: The Council of the Diocese may adopt emergency resolutions, on matters not reserved to the Standing Committee, to express the position of the Diocese between Diocesan Conventions. Such resolutions shall be referred to the next ensuing Diocesan Convention and shall lapse as Diocesan position statements unless adopted by the next ensuing Diocesan Convention. The Council shall also make a report to Diocesan Convention regarding any actions it shall have taken between Conventions.

(3) Standing Commissions: To further the mission and program of the Diocese, there shall be the following Standing Commissions of Council: Christian Formation, Congregational Development, Congregational Life for Mission, Social Concerns, and a Leadership Development. In addition, the Budget Committee shall be a committee of Council. The jurisdiction and duties of each commission and committee of Council, aside from those outlined by Canon 10. Sec. 2 and Canon 15. Sec. 5., shall be as determined by the by-laws of Council, subject to the provisions of the Constitution and Canons of the Diocese of New York. Council may appoint or conclude, with the exception of the Budget Committee and the Leadership Development Commission, such commissions or committees as from time to time may seem advisable.

(4) The Budget: It shall be the responsibility of the Budget Committee of Council to prepare the annual Diocesan budget for submission to Convention, and to involve staff, deans, the Trustees, the Standing Committee, and Regional and Interparish bodies in the development of the Diocesan budget as Council deems appropriate.

Sec. 3. Composition: The Council shall consist of the Bishop or his/her designee, who shall be the President; the Bishop Coadjutor (if there be one); the Bishops Suffragan; the Assistant Bishops; the Treasurer of the Diocese (ex-officio); the Chair of the Budget Committee (ex officio); the President of the Episcopal Church Women (ECW) (ex officio); and 24 members elected and appointed in accordance with Canon 15. Sec. 4.

Sec. 4. Elections and Appointments: A total of 18 members of the Council shall be elected by Convention, six each year for staggered three-year terms. Terms of members of the Council shall start on December 1 following their election or appointment. Nominees for such election shall be presented to Convention by the Leadership Development Commission. To the extent practicable, the Leadership Development Commission shall use its best efforts to ensure that nominees for Council shall be chosen so as to be representative of the diversity of the Diocese as a whole, including representation from all geographic regions of the Diocese. In addition to the 18 members elected by Convention, six members shall be appointed by the Bishop for three year, staggered terms.

Sec. 5. Executive Committee: Council may appoint from its membership an Executive Committee consisting of the Bishop and no fewer than four other members, with power to act between meetings of the full Council.

Sec. 6. Vacancies: In the event any vacancy occurs in the membership of Council between conventions, the Council shall be empowered to fill such vacancy until the next Convention, at which time the Leadership Development Commission shall propose a nominee to fill the balance of the unexpired term.

Sec. 7. Term Limits: Members who have served a full term on Council may be elected to one additional term and then shall be ineligible to be elected or appointed until at least two years have elapsed.

~~CANON 16-COUNCIL OF THE DIOCESE OF NEW YORK~~

~~Sec. 1. The Council:~~ The mission and program of the Diocese shall be overseen, with the Bishop, by an executive council to be known as the Council of the Diocese of New York. The Council of the Diocese may also adopt emergency resolutions, on matters not reserved to the Standing Committee, to express the position of the Diocese between Diocesan Conventions. Such resolutions shall be referred to the next ensuing Diocesan Convention and shall lapse as Diocesan position statements unless adopted by such next ensuing Diocesan Convention. The Council shall make a report to Diocesan Convention regarding any actions it shall have taken between Conventions.

~~Sec. 2. Composition:~~ The Council shall consist of the Bishop or his/her designee, who shall be the President; the Bishop Coadjutor (if there be one); the Bishops Suffragan, the Assistant Bishops, the Treasurer of the Diocese (ex-officio), the President of the Episcopal Church Women (ECW) (ex-officio), and 24 members elected and appointed in accordance with Section 3 of this Canon 16.

~~Sec. 3. Elections and Appointments:~~ A total of 18 members of the Council shall be elected by Convention, six each year for staggered three year terms. In the first year of election of members of Council by Convention, a total of 18 members shall be elected, who shall be assigned to one, two or three year terms based on the total votes received by each, those with the higher vote totals having the longer terms. In the event of a tie vote or votes, terms shall be assigned by the Bishop. Nominees for such election shall be presented to Convention by the Leadership Development Commission, which shall receive suggestions from, among others, regional bodies and from Interparish councils. To the extent practicable, the Leadership Development Commission shall use its best efforts to ensure that nominees for Council shall be chosen so as to be representative of the diversity of the Diocese as a whole, including representation from all geographic regions of the Diocese. In addition to the 18 members elected by Convention, six members shall be appointed by the Bishop, to hold office at the Bishop's pleasure.

~~Sec. 4. Vacancies:~~ In the event any vacancy occurs in the membership of Council between conventions, the Council shall be empowered to fill such vacancy until the next Convention, at which time the Leadership Development Commission shall propose a nominee to fill the balance of the unexpired term.

~~Sec. 5. Term Limits:~~ A Council member who has served for two consecutive three-year terms (or a total of six consecutive years) shall be ineligible to be elected or appointed until at least two years has elapsed since the end of such person's previous term as Council member.

~~**Sec. 6. Organization of Council:** There shall be the following Standing Commissions of Council: Christian Formation Commission, Congregational Development Commission, Congregational Life for Mission Commission, Social Concerns Commission and Leadership Development Commission. In addition, the Budget and Finance Committee and the Congregational Support Committee shall be standing committees of Council.~~

~~**Sec. 7. Executive Committee and other Committees and Commissions:** Council may appoint from its membership an Executive Committee consisting of the Bishop and no fewer than four other members, with power to act between meetings of the full Council, and Council may appoint such other committees and commissions as from time to time may seem advisable. The jurisdiction and duties of each commission and committee of Council shall be as determined from time to time by resolution or by the by-laws of Council.~~

~~**Sec. 8. The Budget:** It shall be the responsibility of Council to prepare the annual Diocesan budget for submission to Convention, and to involve Regional and Interparish bodies in the development of the Diocesan budget in such manner and to such extent as Council shall deem appropriate.~~

CANON 17 16-REGIONAL BODIES

Sec. 1. Definition: A "Region" shall be defined as an area comprising a portion, but not all, of the Diocese as determined from time to time by the Bishop.

Sec. 2. Assignment of a Bishop or other Diocesan Officer to a Region: At the direction of the Bishop, a bishop or other Diocesan officer may be assigned to reside within any region, with executive responsibility, as delegated by the Bishop, for the work of the Diocese in such region. The responsibilities of any bishop or other Diocesan officer so assigned shall include pastoral oversight, program development, and administrative authority with respect to clergy and congregations within such Region.

Sec. 3. Regional Councils: A Regional Council may be formed by ~~parishes~~ **Congregations** or Interparish Councils as the Region shall determine, provided that any such Regional Council shall be constituted as set forth in by-laws to be adopted by such Council after approval by the Bishop. The Bishop's approval shall not be granted unless such constitution and by-laws provide, in the Bishop's judgment, a mechanism to insure broad participation in such Council by all of the ~~parishes~~ **Congregations** in the Region. Any Regional Council so constituted and approved shall hold not less than one meeting annually. The Bishop or Regional Bishop or Regional Diocesan Officer, as designated by the Bishop, shall be the Chairperson of the Regional Council. A Secretary shall be elected from the membership. Each Regional Council shall advise the Diocesan Council with respect to the creation, integration, and coordination of programs undertaken within the Region and on Regional missionary strategy. A Regional Council may also make recommendations to the Diocesan Council with respect to the budgets of Regional Congregations and area ministries receiving Diocesan funds, may make recommendations to the Leadership Development Commission on personnel matters within the Region and may make recommendations to Diocesan

Council on changes in existing commitments and the development of new undertakings, and may appoint such number of Youth Members to attend Diocesan Convention as the by-laws of such Regional Council shall provide.

Sec. 4. Interparish Councils: Interparish Councils ~~may~~ **shall** be formed by ~~participating parishes~~ **Congregations** within regions defined by the Bishop. **The Bishop may invite a member of the clergy or a lay person to convene any Interparish Council until the Council elects its chair.** The activities of an Interparish Council shall include the following:

- (1) **Nominate candidates** ~~Suggest~~ to the Leadership Development Committee **for election** ~~the names of candidates for nomination to the Diocesan Council.~~
- (2) Identify issues, problems, and opportunities affecting its Congregations and communities.
- (3) Participate in developing and implementing the mission portion of the Diocesan Budget in response to identified needs.
- (4) Provide opportunities for leadership development for clergy and laity.
- (5) Strengthen the ecumenical witness of the Church.

CANON ~~18~~ 17-FUNDING PROGRAM OF THE DIOCESE (substitute)

Sec. 1. Submission of Budget to Convention

- (1) **It shall be the responsibility of the Budget Committee of the Council to prepare the annual Diocesan budget for submission to Convention, and to involve Regional and Interparish bodies in the development of the Diocesan budget in such manner and to such extent as the Council shall deem appropriate.**
- (2) **The Budget Committee shall consist of: a Chair of this committee appointed by the Bishop, the Treasurer of the Diocese (*ex officio*), the Chief of Finance and Operations of the Diocese (*ex officio*), the Chair of the Finance Committee of the Trustees (*ex officio*), three (3) members of Council appointed by the Bishop, two (2) members of the Trustees appointed by the Bishop, and others as appointed annually by the Bishop to this committee.**
- (3) **No later than seventy (70) days before annual Convention the Budget Committee shall submit to Council and to the Trustees a draft budget of Diocesan expenditures for the following year with an accompanying narrative. The budget shall be presented at the next meeting of the Council at which members of Trustees are invited to attend and given voice. The Council may approve, reject, or modify the budget or narrative, provided, however, that no budget may be approved in which projected receipts are less than projected expenses. The draft budget approved by the Council shall be the proposed budget.**

(4) The Budget Committee of the Council shall submit to each annual Convention the proposed budget of Diocesan expenditures for the following year with an accompanying narrative. The Convention may approve, reject, or modify the budget, provided, however, that no budget may be approved in which projected receipts are less than projected expenses.

(5) This budget shall include funds for the support of:

- a. The Episcopate;**
- b. The Episcopal Church;**
- c. Diocesan administration and program.**

(6) When in the course of their duties in managing the finances of the Diocese, the Trustees determine that the diocesan budget needs to be materially adjusted between Conventions, they shall present the adjustment to the Budget Committee of Council. That Committee shall review the proposed adjustment and present its recommendation thereon to the Council and, unless the Council objects at its next meeting, the adjustment shall take place.

Sec. 2. Congregation's Apportioned Share

(1) Congregation is defined as any Congregation in union with the Diocese of New York, including a Congregation that is a Congregation in a Strategic Setting, or a Vulnerable Congregation in union with the Diocese of New York.

(2) After the Annual Diocesan Budget has been approved by Convention, the Chief of Finance and Operations shall compute the share (hereinafter referred to as the "apportioned share") to be paid by each Congregation, in accordance with the formula set forth in Section 3 hereof, and shall give notice to each Congregation thereof within thirty (30) days after the budget is adopted. Within sixty (60) days of receipt, each congregation shall certify to the Chief of Finance and Operations of the Diocese that the Diocesan Budget and the apportioned share for the year in question has been submitted for review to its Vestry or Trustees or Advisory Board, as the case may be.

Sec. 3. Apportionment Formula

(1) Normal Operating Income is defined in the same manner as that term is defined from time to time in the Instructions for The Episcopal Church Parochial Report as set forth in the Manual of Business Methods in Church Affairs ("the Manual") as published by The Episcopal Church, or any successor publication. It includes all funds, from whatever source, that are used for the general operation of a Congregation, including payment of the Congregation's Apportioned Share, compensation of clergy and lay staff, operation and

insurance of buildings, altar supplies, and administrative expenses. Sources of operating income include contributions from individuals, contributions from organizations within the Congregation, income from the Congregations's trusts or foundations or amounts drawn from a Congregation's invested funds, whether income, principal, or a percentage takeout; space use income (net of direct costs of providing space); and excess revenues available for general operations derived from the Congregation's schools, cemeteries, or other enterprises. This Canon shall be deemed amended automatically, without the need for further action by the Convention, whenever the definition of normal operating income, or the sources from which such income is derived, shall be changed in the Manual or in any successor publication, so as to bring the terms of this Canon into conformity therewith.

- (2) The Chief of Finance and Operations shall compute the apportioned share of each Congregation by computing the average Normal Operating Income for the two latest years as reported by the Congregation on the Parochial Report. The Chief of Finance and Operations shall apply the following formula to the averaged Normal Operating Income:

4% of income from \$1 to \$50,000, plus
10% of income from \$50,000 to \$200,000, plus
15% of income from \$200,000 to \$500,000, plus
20% of all income above \$500,000.

The Trustees shall be authorized from time to time to increase the dollar amounts that divide the brackets in the foregoing formula to take into account inflation in the cost of the major items making up the budgets of Congregations in the Diocese of New York.

- (3) No Congregation's computed Apportioned Share for any year shall increase by more than 12.5% over its computed Apportioned Share for the immediately preceding year, in each case as computed in accordance with the immediately preceding subsection, without reference to any adjustment or appeal, unless the Bishop and Trustees specifically authorize a larger increase.
- (4) If the Apportioned Share of any Congregation shall exceed 25% of the total budget of Diocesan expenditures in any one budget year, the excess shall be applied to the Diocesan General Endowment Fund.

Sec. 4. Adjustment and Appeal Procedure

- (1) Any Congregation may appeal to the Adjustment Board for a reduction in or deferral of payment to a future year of part or all of its Apportioned Share for any year in accordance with the guidelines established by the Adjustment

Board and approved by the Trustees.

- (2) The Adjustment Board, which shall be a committee of the Trustees consisting of not fewer than seven members appointed by the Bishop, shall conduct all adjustment hearings and may affirm, temporarily reduce, or defer payment of part or all of the Apportioned Share payable for any year by any Congregation requesting a hearing. The Adjustment Board shall inform each Congregation requesting a hearing of its decision within a reasonable time after such hearing.
- (3) Any Congregation may appeal the decision of the Adjustment Board to the Trustees, which may affirm or modify any decision of the Adjustment Board. Appeals to the Trustees must be made within 30 days after receipt by such Congregation of the decision of the Adjustment Board.

Sec. 5. Payments

- (1) Each Congregation's Apportioned Share for a year shall be paid in four equal installments, no later than the fifth days of January, April, July and October, and it shall be the duty of the Chief of Finance and Operations to attend to the collection thereof.
- (2) Payments made after the fifth days of January, April, July and October shall be deemed by the Chief of Finance and Operations to be late.

Sec. 6. Incentives

- (1) A Congregation that pays for any year its entire annual Apportioned Share or adjusted Apportioned Share as determined by Sections 3 and Section 4 of this Canon and has no arrears may apply in the following year for grants that are funded by the Apportioned Share Budget.
- (2) It shall be the duty of the Chief of Finance and Operations to report quarterly to the Bishop, the Trustees, and the Council, all Congregations that have not paid in full any payment required by Section 5.
- (3) The Chief of Finance and Operations shall produce a list which the Secretary of Convention shall publish in the Calendar of Convention. The list shall include each Congregation of the Diocese and:
 - a. whether or not such Congregation has filed an audit for the preceding year;
 - b. whether or not such Congregation has filed a parochial report for the preceding year;
 - c. whether or not such Congregation has submitted stipend

- information for the Journal of Convention.
- d. whether or not such Congregation has provided evidence that proper insurance is in place covering all parish property and activities;
 - e. such Congregation's Apportioned Share for the preceding and current year as calculated by Section 3;
 - f. any adjustment of such Congregation's Apportioned Share made by the Adjustment Board;
 - g. whether or not such Congregation's Apportioned Share or adjusted Apportioned Share payments are current;
 - h. whether such Congregation is in default as specified by Section 7.

Sec. 7. Congregations In Default In Apportioned Share

- (1) Prior to each Annual Convention the Chief of Finance and Operations shall notify the Bishop of any Congregation that does not satisfy any of the conditions listed in subsections (1-4), noting that the Congregation may be designated as a Congregation In Default In Apportioned Share. The Bishop, with the concurrence of the Trustees of the Diocese, may then designate the Congregation as a Congregation In Default In Apportioned Share. No Congregation shall be designated as a Congregation in Default In Apportioned Share, and no Congregation designated as a Congregation In Default In Apportioned Share shall remain a Congregation In Default in Apportioned Share, if the Congregation satisfies any of the following conditions:
- (2) The Congregation is current in the payment of its Apportioned Share through all but the most recently due quarterly installment, or
- (3) The Congregation has a completed application pending with the Adjustment Board, is actively participating in the Adjustment Board process by meeting with its members and representatives of the Diocese as requested by the Adjustment Board, and is making payments on account of its Apportioned Share in a minimum amount specified by the Adjustment Board for Congregations that have applications pending, or
- (4) If the Adjustment Board has made its decision and the Congregation has chosen to appeal the decision, the Congregation has a completed appeal pending with the Trustees, or
- (5) If the Adjustment Board has made its decision on the application that, after any appeal to and any modification by the Trustees, is final and no longer subject to appeal, the Congregation is current in its payment of all its Apportioned Share as they may have been adjusted through all but the most recently due installment and is in compliance with any conditions imposed

by the Adjustment Board or the Trustees in approving any adjustment, which conditions may include participation in programs organized by the Diocese to help a Congregation address problems in the Congregation.

(6) When a Congregation has been designated as a Congregation In Default In Apportioned Share the following remedies are applied.

(a) The Chancellor shall inform the Annual Convention that the Congregation is a Congregation In Default In Apportioned Share;

(b) The Lay delegates from a Congregation In Default In Apportioned Share shall be denied any vote in Convention;

(c) The Rector or Priest-in-charge of the Congregation In Default In Apprtioned Share shall be denied a vote in Convention;

(d) As provided in Canon 29, Section 3, Subsection (g), the Congregation In Default In Apportioned Share may be designated a Vulnerable Congregation in accordance with Canon 29.

CANON 18-FUNDING PROGRAM OF THE DIOCESE

Sec. 1. Diocesan Budget and Congregations' Apportioned Shares

~~1. Submission of Budget to Convention: The Diocesan Council shall submit to each annual Convention a unified budget of Diocesan expenditures during the following year. This budget shall include funds for the support of:~~

~~The Episcopate;~~

~~The National Church;~~

~~Diocesan Administration and Program; The
Congregational Support Plan.~~

~~The Convention may approve, reject, or modify the budget, provided, however, that no budget may be approved in which projected receipts are less than projected expenses.~~

~~When in the course of their duties in managing the finances of the Diocese, the Trustees determine that the Diocesan budget needs to be materially adjusted between Conventions; they shall present the adjustment to the Budget and Finance Committee of the Council. That Committee shall review the proposed adjustment and present its recommendation thereon to the Council and, unless the Council objects at its next meeting, the adjustment shall take place.~~

~~2. Congregation's Apportioned Share: After the Budget has been approved by Convention, the Controller shall compute the share (hereinafter referred to as the~~

~~“apportioned share” or “assessment”) to be paid by each congregation, other than those congregations in the Congregational Support Plan (whose apportionment shall be computed according to Section 3) in accordance with the formula set forth in Section 2 hereof, and shall give notice to each congregation thereof within 30 days after the budget is adopted. Within sixty (60) days of receipt, each congregation shall certify to the Controller of the Diocese that the Diocesan Budget and the apportioned share for the year in question has been submitted for review to its Vestry or Trustees or Advisory Board, as the case may be.~~

~~No congregation’s apportioned share for any year shall increase by more than 12.5% over its apportioned share for the immediately preceding year, unless the Bishop and Trustees specifically authorize a larger increase.~~

~~**3. Adjustment and Appeal Procedure:** Any congregation may appeal to the Adjustment Board for a reduction in its apportioned share in accordance with the guidelines established by the Adjustment Board and approved by the Trustees. The Adjustment Board, which shall be a committee of the Trustees consisting of not fewer than seven members appointed by the Bishop, shall conduct all adjustment hearings and may affirm or reduce the apportioned share payable by any congregation requesting a hearing. The Adjustment Board shall inform each congregation requesting a hearing of its decision within a reasonable time after such hearing. Any congregation may appeal the decision of the Adjustment Board to the Trustees, which may affirm or modify any decision of the Adjustment Board. Appeals to the Trustees must be made within 30 days after receipt by such congregation of the decision of the Adjustment Board.~~

~~**4. Payments:** Each congregation’s apportioned share shall be paid in four equal installments, no later than the fifth days of January, April, July and October, and it shall be the duty of the Controller Chief of Finance and Operations to attend to the collection thereof.~~

~~Sec. 2.~~

~~**1. Apportionment Formula:** The Controller shall compute the apportioned share of each congregation (other than those congregations in the Congregational Support Plan) by computing the average Normal Operating Income for the two latest years as reported by the congregation on the Parochial Report.~~

~~The Controller shall apply the following formula to the averaged income:~~

~~4% of income from \$1 to 50,000, plus
10% of income from \$50,000 to 200,000, plus 15%
of income from \$200,000 to 500,000, plus 20% of all
income above \$500,000~~

~~The Trustees shall be authorized from time to time to increase the dollar amounts that divide the brackets in the foregoing formula to take into account inflation in the cost of the major items making up the budgets of Parishes in the Diocese of New York.~~

~~2. **Application:** If the apportioned share of any congregation shall exceed 25% of the total unified budget of Diocesan expenditures in any one budget year, the excess shall be applied to the Diocesan General Endowment Fund.~~

~~3. **Definition of Normal Operating Income:** Normal Operating Income is defined in the same manner as that term is defined from time to time in the Instructions for the Episcopal Church Parochial Report as set forth in the Manual of Business Methods in Church Affairs ("The Manual") as published by ECUSA, or any successor publication. It includes all funds, from whatever source, that are used for the general operation of a congregation, including payment of Diocesan assessment and contributions to the Congregational Support Plan, compensation of clergy and lay staff, operation and insurance of buildings, altar supplies, and administrative expenses. Sources of operating income include contributions from individuals, contributions from organizations within the congregation, income from trusts or Parish foundations or amounts drawn from a congregation's invested funds, whether income, principal, or a percentage takeout; space use income (net of direct costs of providing space); and excess revenues available for general operations derived from Parish schools, cemeteries, or other enterprises. This canon shall be deemed amended automatically, without the need for further action by the Convention, whenever the definition of normal operating income, or the sources from which such income is derived, shall be changed in the Manual or in any successor publication, so as to bring the terms of this canon into conformity therewith.~~

Sec. 3. Congregational Support Plan

~~The Diocese shall maintain and administer a Congregational Support Plan, to which any congregation in union with the Convention may apply for membership. The operation of the Congregational Support Plan shall be the responsibility of a Standing Committee of the Council of the Diocese, to be known as the Congregational Support Plan Committee. The Congregational Support Plan Committee shall from time to time adopt operating procedures for the administration of the Plan.~~

~~Congregations in the Congregational Support Plan shall not pay any apportioned share to the Diocese while they are members of the Plan. In their first year of membership, Congregations in the Plan shall pay into the plan 50% of their Normal Operating Income for the year prior to the year in which they join the plan ("base year contribution"). After the first year of membership, and during the initial term of membership as defined by the Congregational Support Plan Committee, congregations whose normal operating income increases over the normal operating income used to compute the base year contribution will pay into the plan the base year contribution plus an amount equal to the apportioned share~~

~~(calculated in accordance with Section 2 (1)) that the congregation would have paid on the increased amount of normal operating income had the congregation not been in the Plan. In no event shall any member congregation's contribution to the Congregational Support Plan increase by more than 25% in any one year.~~

~~Clergy serving congregations in the Congregational Support Plan will be compensated in accordance with the compensation guidelines provided for in Canon 27, except that no clergyperson's stipend shall be reduced by entry into the Plan. At entry into the Support Plan, compensation shall be at the level just prior to joining the Support Plan or at the Diocesan minimum, whichever is higher.~~

Sec. 4. Remedies

~~1. Lay Delegates: It shall be the duty of the Controller to report quarterly to the Bishop and the Board of Managers all congregations that have not paid in full any payment required by Section 1(4). The Secretary of Convention shall report each congregation that has not paid in full its apportioned share for the budget year to the Convention in the year following the budget year. Any congregation that has not paid its full apportioned share for one budget year shall be denied any lay vote in Convention and any congregation that has not paid its full apportioned share for two budget years (whether or not consecutive) shall no longer have the right to send lay delegates to the Convention, until its unpaid apportioned shares shall have been paid in full; provided, however, that the Convention may suspend the operation of this subsection (1), prospectively or retroactively, without amendment of this Canon.~~

~~2. **Parishes in Default in Assessments:** Prior to each Annual Convention the Adjustment Board shall notify the Bishop of any Parish that does not satisfy any of the conditions listed in this subsection(2), noting that the Parish may be designated as a Parish In Default in Assessments. The Bishop, with the concurrence of the Trustees of the Diocese, may then designate the Parish as a Parish In Default in Assessments, and the Chancellor shall inform the Annual Convention that the Parish is a Parish In Default in Assessments. No Parish shall be designated as a Parish in Default in Assessments, and no Parish designated as a Parish In Default in Assessments shall remain a Parish In Default in Assessments, if the Parish satisfies any of the following conditions:~~

~~1. The Parish is current in the payment of its assessments through all but the — most recently due quarterly installment, or~~

~~2. The Parish has a completed application pending with the Adjustment Board, is actively participating in the Adjustment Board process by meeting with its members and representatives of the Diocese as requested by the Adjustment Board, and is making payments on account of assessments in a minimum amount specified by the Adjustment Board for Parishes that have applications pending, or~~

- ~~3. If the Adjustment Board has made its decision and the Parish has chosen to appeal the decision, the Parish has a completed appeal pending with the Trustees, or~~
- ~~4. If the Adjustment Board has made its decision on the application that, after any appeal to and any modification by the Trustees, is final and no longer subject to appeal, the Parish is current in its payment of all its assessments as they may have been adjusted through all but the most recently due installment and is in compliance with any conditions imposed by the Adjustment Board or the Trustees in approving any adjustment, which conditions may include participation in programs organized by the Diocese to help a Parish address problems in the Parish.~~
- 5. Remedial Process for Certain Parishes In Default in Assessments:** ~~If two consecutive Annual Conventions have been informed that a Parish is In Default in Assessments, and the Parish continues to be In Default in Assessments, then upon the recommendation of the Adjustment Board and the concurrence of the Standing Committee and the Trustees of the Diocese, the Bishop may in the Bishop's discretion initiate the remedial process described in this subsection (3), which may result in converting the Parish into a Mission Congregation of the Diocese.~~
 - ~~1. The Bishop may appoint a committee of at least one Presbyter and one Lay Person, none of whom may be members of the Parish involved, to make a report to the Bishop.~~
 - ~~2. If the issues are not resolved to the Bishop's satisfaction, the Bishop, with the concurrence of the Trustees of the Diocese, shall then give notice to the Parish's Rector and Vestry that a godly judgment may be rendered in the matter after consultation with the Standing Committee and that the Parish's Rector and Vestry have the right within ten days to request in writing an opportunity to confer with the Standing Committee before it consults with the Bishop.~~
 - ~~3. If a timely request is made, the President of the Standing Committee shall set a date for the conference, which shall be held within thirty days of such request. At the conference, the Parish's Rector and Vestry shall be entitled to representation and to present their position fully.~~
 - ~~4. Within thirty days after the conference or after the Bishop's notice if no conference is requested, the Bishop shall confer with and receive the recommendation of the Standing Committee; thereafter the Bishop, as final arbiter and judge, shall render a godly judgment.~~
 - ~~5. If the Bishop's godly judgment is that the Parish should be converted into a~~

~~Mission Congregation of the Diocese:~~

- ~~a. The Bishop shall recommend to the Convention that the Parish be placed under supervision of the Bishop as a Mission Congregation of the Diocese. If the Bishop's recommendation is approved by the Convention, the status of the Parish shall be changed to that of a Mission Congregation and it shall thereafter be a Mission Congregation under Canon 29.~~
- ~~b. Upon approval by the Convention of the change of status of the Parish to a Mission Congregation, the Vestry of the Parish shall transfer all real and personal property of the Parish to the Trustees of the Diocese. The Bishop shall appoint an interim Advisory Board as provided in Canon 29.~~
- ~~c. Upon the change of status of a Parish to a Mission Congregation under this subsection (3) (5), the pastoral relation between the former Parish and its Rector shall dissolve. The Bishop shall appoint a Vicar for the Mission Congregation, who may be either the priest who was the Rector of the Parish or another priest.~~
- ~~d. The Bishop shall direct the Secretary of the Convention to record the dissolution of the pastoral relationship between the former Parish and its Rector, and the judgment shall include such terms and conditions including financial settlements as shall seem to the Bishop just and compassionate.~~
- ~~e. In the event of the failure or refusal of the Rector to comply with the terms of the judgment, the Bishop may impose penalties on him or her, including, without limitation, suspending the Rector from the exercise of the priestly office until the Priest shall comply with the judgment.~~
- ~~f. The Vicar and the Advisory Board of a former Parish that has become a Mission Congregation under this subsection (3)(5) shall act in all financial matters in accordance with the directions of the Trustees of the Diocese and in all other matters in accordance with Canon 29. The status of any such Mission Congregation may be changed to that of a Parish with the approval of the Bishop, the Standing Committee and the Trustees of the Diocese in accordance with Canon 29.~~

~~4. For cause, the Bishop may extend the time periods specified in this Section 4, provided that all be done to expedite these proceedings. All parties shall be notified in writing of the length of any extension.~~

CANON ~~19~~ 18-EPISCOPAL CHARITIES

Sec. 1. Objectives: There shall be a corporation called Episcopal Charities to carry out the following objectives in furtherance of the mission and ministry of the Diocese of New York:

- (1) To coordinate the funding of social programs related to and connected with the Diocese and its Congregations;
- (2) To raise, hold, and disburse funds to be used to fund such programs;
- (3) To establish funding priorities, evaluate proposals, and award grants in support of such programs;
- (4) To provide training and support services to Congregations and institutions affiliated with the Diocese that wish to apply for grants to carry out such programs; and
- (5) To carry out such other functions as shall be determined from time to time by the Board of Managers of the Diocese.

Sec. 2. Organization: At all times, Episcopal Charities shall be incorporated under the Not-for-Profit Corporation Law of the State of New York, and shall be organized and operated so as to qualify for a tax exemption pursuant to Sec. 501(c)(3) of the Internal Revenue Code. The corporation shall be managed by a Board of Directors appointed by the Trustees of the Diocese.

Sec. 3. Reports: Episcopal Charities shall report quarterly to the Trustees of the Diocese and annually to the Convention of the Diocese on all activities of the corporation.

Sec. 4. Advisory Committee: The Board of Directors of Episcopal Charities shall establish an Advisory Committee consisting of 19 members:

8 members appointed by the Bishop of New York, including a chairperson; 10 members elected by the Council of the Diocese, as follows:

- 2 members from congregations in Sullivan, Ulster, Dutchess and Orange counties; 3 members from congregations in Westchester, Rockland and Putnam Counties;
- 2 members from congregations in the Bronx; 2 members from congregations in Manhattan;
- 1 member from congregations in Staten Island.

The Chair of the Social Concerns Commission of the Council of the Diocese.

Members shall be elected or appointed for a term of three years. No member shall

serve more than two consecutive terms. A member who serves two consecutive terms shall be eligible for election or appointment one year after the end of their second term.

The Advisory Committee shall make recommendations to the Board of Directors about program funding, disseminate information about funding cycles and grant proposals, and assist in the provision of training and support services to congregations and institutions affiliated with the Diocese. The Advisory Committee shall review the Annual Report of Episcopal Charities before it is submitted to the Convention of the Diocese and shall certify to Convention that the corporation's affairs are being conducted in conformity with the mission statement of the Diocese.

PART V - COMMITTEES OF THE DIOCESE

CANON ~~20~~ 19-STANDING COMMITTEE

Sec. 1. Membership: The Standing Committee shall consist of four Clerical Members and four lay persons of the Diocese to be elected by ballot. At each Annual Convention, one Clerical Member and one lay person shall be elected to serve for four years and no longer. Any Person so elected shall be deemed to have resigned from the Committee if he/she fails to attend three meetings of the Committee during any twelve-month period. Vacancies in the Committee occurring by death or otherwise shall be filled temporarily by the concurrent vote of the Clerical and Lay Members of the Committee until the next Annual Convention and then shall be filled by the Convention. Except in the case of Members chosen to fill vacancies, no Member of the Committee shall be eligible for membership for one year after the expiration of her/his term of office.

Sec. 2. Duties: The Standing Committee shall serve as the Council of Advice to the Bishop and shall have such other duties as may from time to time be prescribed in the Constitutions and Canons of ~~the~~ **The** Episcopal Church and of this Diocese. In case of the absence or disability of the Bishop, or of a vacancy in the Episcopate, the powers and duties to be performed by the Bishop in matters of discipline shall be performed by the Standing Committee, except in those cases where such powers and duties are or may be specially delegated to, or enjoined upon, the Clerical Members of the Committee; in which cases such powers and duties shall be exercised by the Clerical Members alone; provided that no sentence shall be pronounced on a Presbyter or Deacon but by a Bishop.

Sec. 3. Records under Canon ~~32~~ 33: The record of all proceedings upon the presentment or the trial of a Presbyter or Deacon shall be preserved by the Standing Committee, and for that purpose shall be delivered to the Secretary of the Committee.

Sec. 4. Consents under Religious Corporations Law §12: Whenever application shall be made to the Standing Committee for its consent to an application to a court for leave to sell, mortgage, or lease real property, which at the time of such application is used by a

Congregation for regular religious services, the Standing Committee shall not give its consent until it shall appear to its satisfaction that notice of the application has been given to the Congregation.

Sec. 5. Annual Reports: The Standing Committee shall annually report to the Convention for its information such of its completed official acts as do not pertain to the exercise of its functions as a council of advice to the Bishop.

CANON ~~21~~ 20-COMMISSION ON MINISTRY

Sec. 1. There shall be a Commission on Ministry consisting of not fewer than ten members, to be appointed by the Bishop and to serve at the pleasure of the Bishop. The chair of the commission shall be appointed by the Bishop from among the commission's members. Insofar as possible, clergy and laity shall be represented in equal numbers on the Commission, and the membership shall reflect the geographic diversity of the diocese.

Sec. 2. The duties of the Commission shall be to assist the Bishop in all matters specified by the Canons of the General Convention as follows:

- (1) Determining present and future needs for ministry in the Diocese.
- (2) Recruiting and selecting persons for holy orders and in guiding and examining postulants and candidates for orders.
- (3) Providing for the guidance, pastoral care of clergy and lay persons who are in stipendiary and non-stipendiary positions accountable to the Bishop.
- (4) Promoting the continuing education of the clergy and of lay persons employed by the Church.
- (5) Supporting the development, training, utilization, and affirmation of the ministry of the laity in the world.

CANON ~~22~~ 21-OTHER COMMITTEES OF THE DIOCESE

To facilitate the work of the Diocese, the Convention may from time to time establish such committees of the Diocese with such duties as it may determine, and, unless otherwise provided, the Bishop shall appoint members thereto.

PART VI - CLERGY AND CONGREGATIONS

CANON ~~23~~ 22-UNION BETWEEN CONGREGATIONS AND CONVENTION

Sec. 1. Every Congregation subject to the Ecclesiastical Authority of this Diocese shall also be subject to the Convention and required to maintain union therewith.

To obtain admission into such union the Congregation must deliver its application to the Secretary of the Convention at least 40 days before the meeting thereof together with the following:

- (1) The resolution of the Vestry, Trustees or ~~Board of Advisors~~ **Advisory Council** under seal (a) authorizing such application for admission, (b) agreeing to be bound by the Constitution and Canons of ~~the~~ **The** Episcopal Church and the Constitution and Canons of the Convention of the Diocese, and (c) agreeing to pay its clergy in regular installments, but not less frequently than monthly, a salary (in proportion to the time engaged) not less than the minimum provided in Canon ~~27~~ **26**, and to provide a suitable residence **or housing allowance**.
- (2) The Certificate of the Vestry, Trustees or ~~Board of Advisors~~ **Advisory Council** under seal evidencing that the Congregation is willing and able among its own members to provide the salary required by Canon ~~27~~ **26** and to provide a suitable residence **or housing allowance** and that not less than 25 members of the Congregation have regularly attended divine service for at least one year.
- (3) A copy of the Certificate of Incorporation of the Congregation duly certified by the County Clerk of the county of recording, which certificate, if not pursuant to Article 3 of the New York State Religious Corporations Law, shall contain the declaration that the Congregation is an Episcopal Church and will forever continue as such, in communion with the Diocese of New York and ~~ECUSA~~ **The Episcopal Church**.
- (4) The Certificate of the Ecclesiastical Authority (a) approving such incorporation, and (b) adjudging the Congregation duly established.

Sec. 2. It shall be the duty of the Secretary of Convention to examine, consider, and report upon any such application to Convention.

Sec. 3. Whenever any Congregation shall be in default by more than sixty (60) days in filing the reports required by the Canons of the General Convention, or shall for two (2) years in succession not have employed a ~~Parish minister~~ **a Rector or Priest-in-Charge**, or shall for one or more years be in arrears in payment of the minimum clergy salary as provided in Canon ~~27~~ **26**, the Bishop shall report such Congregation to the Convention, and such Congregation shall thereby forfeit its right to send lay delegates to Convention. Such Congregation, however, may be restored to its right to send lay delegates to Convention upon application to the Convention upon such terms as shall appear just.

CANON ~~24~~ 23-REGISTERS AND PAROCHIAL REPORTS

Sec. 1. In the Register of Baptisms, Confirmations, Communicants, Marriages and Burials, required by the Canons of the General Convention to be kept by the ~~Clergy~~ **Member of the Clergy in charge of a Congregation** of this Church, the record shall specify the name and date of birth of each child baptized, with the names of the parents and sponsors; the name of each adult baptized; the name of each person confirmed; the names of the parties married, with the names of the witness or witnesses required by civil law; the name of each person buried; and also the time when each rite was performed. The Register

shall be kept by the ~~Clergy in Charge~~ **Member of the Clergy in charge** of the Congregation, in a book to be provided for that purpose; and shall be preserved by the Vestry or ~~Board of Trustees~~ **Advisory Council** as a part of the records of the ~~congregation~~ **Congregation**. A similar ~~Register shall be kept by the Vicar of each Mission congregation.~~ The list of communicants shall embrace all within the cure of the member of the clergy in charge as nearly as can be ascertained; and he/she shall also keep a list of the families and individuals in his/her cure insofar as practicable.

Sec. 2. Every Clergy in charge of a Congregation shall present, or cause to be delivered to the Diocese:

- (1) The Parochial Report as required by the Canons of General Convention, with such additional information as the Diocese may reasonably require from time to time; and
- (2) A copy of the annual audited financial statement as required by said Canons.

The deadline for submission of the Parochial Report and the annual audited financial statement shall be the date established by ~~the National Church~~ **The Episcopal Church**. It shall be the responsibility of the ~~Controller's~~ **Chief of Finance and Operations'** office to notify ~~congregations~~ **Congregations** of the due dates.

Sec. 3. Where a ~~congregation~~ **Congregation** is without a clergy in charge, the Register shall be kept by the Church Wardens, and the annual Parochial Report and the audited financial statement shall be presented or forwarded to the Bishop by them.

Sec. 4. The Registers of all ~~congregations~~ **Congregations** shall be inspected from time to time by the Bishop or by such persons as he/she may appoint.

Sec. 5. Upon the dissolution of a ~~congregation~~ **Congregation**, the Register provided for by this Canon shall immediately become the property of the Diocese and shall be deposited with the ~~Registrar~~ **Archivist**.

CANON 25 ~~24~~-VACANT CURES CONGREGATIONS AND CLERGY WITHOUT CURE

Sec. 1. Notice of Vacancy: Whenever a clergy position in a Congregation becomes, or is about to become, vacant, the Bishop shall be notified, by the Church Wardens if the vacancy occurs in the position of ~~rector or other~~ clergy in charge of the ~~congregation~~ **Congregation**, and by the ~~rector~~ **Rector** or other clergy in charge of the ~~congregation~~ **Congregation** if the vacancy is in any assistantcy.

Sec. 2. Interim Clergy: It shall be the duty of the Wardens of any ~~congregation~~ **Congregation** to provide for the regular conduct of worship and pastoral care of the ~~congregation~~ **Congregation** whenever there is a vacancy in the position of ~~rector~~ **Rector**. It shall be the duty of the Bishop to provide for the conduct of regular worship and pastoral

care of the congregation ~~any Congregations in Strategic Settings~~ whenever there be a vacancy in the position of ~~clergy-in-charge~~ **Priest-in-Charge** that must be filled by the Bishop. The Vestry or Advisory Board of such Congregation shall provide for the compensation of any interim clergy.

Sec. 3. Vacancies in the position of Rector: Vacancies in the position of ~~rector~~ **Rector** shall be filled by the ~~vestry~~ **Vestry** of the congregation **Congregation** after consulting with the Bishop. The wardens shall notify the ~~Registrar~~ **Archivist** of the Diocese upon the election of a new Rector.

Sec. 4. Vacancies in Positions of Priest-in-Charge of a Congregation in a Strategic Setting or Mission Vicar Rector of a Mission Congregation:

Vacancies in the positions of ~~Clergy~~ **Priest-in-Charge** shall be filled by the Bishop, in consultation with the Advisory Board of the congregation **Congregation in a Strategic Setting**. The procedures to be followed in searching for suitable candidates and selecting nominees to present to the Bishop shall be as adopted from time to time by the Bishop or ~~his/her~~ **the Bishop's** designee in charge of clergy deployment.

~~**Sec. 5. Vacancies in assistancies:** The Rector of a congregation may fill any vacancy in the position of assistant clergy, subject to Sec. 6 of this canon. Within 30 days after filling any assistancy, the Rector shall notify the Bishop.~~

~~**Sec. 6.**~~ **Sec. 5:** No member of the clergy shall be called to fill any clerical position in this Diocese if the Bishop has stated that he/she will not be licensed to officiate in this Diocese.

CANON ~~26~~ 25-CLERGY NOT CANONICALLY RESIDENT

Any member of the clergy who is not canonically resident in this ~~diocese~~ **Diocese** and who desires to take temporary or occasional service therein shall so signify to the Bishop. A list of such clergy as shall be licensed by the Bishop for such duty shall be kept by the Bishop. A ~~rector~~ **Rector** of a parish **Congregation** may not employ the services of any member of the clergy who is not canonically resident for more than sixty days, unless he/she shall have the written license of the Bishop.

CANON ~~27~~ 26-CLERGY AND LAY STAFF: COMPENSATION AND ALLOWANCES

Sec. 1. Every Congregation in union with the Convention shall pay clergy serving such Congregation not less than the minimum stipends and allowances set forth in the Compensation Guidelines of the Diocese of New York most recently adopted by the Convention of the Diocese. Every Congregation in union with the Convention having lay employees on its staff shall provide these employees with compensation and benefits not less than the minimum guidelines for lay employees set forth in the Compensation Guidelines of the Diocese of New York most recently adopted by the Convention of the

Diocese.

Sec. 2. Each year, the Trustees of the Diocese shall review the Compensation Guidelines of the Diocese and shall make proposals to Convention with respect to additions or modifications thereto no later than the time for filing proposed resolutions with the Secretary of Convention.

Sec. 3. The Trustees may approve specific variations from the Compensation Guidelines of the Diocese.

Sec. 4. Any Congregation that fails to provide the stipends and allowances established by the Convention, except as permitted pursuant to Section 3 herein, or that shall be in arrears in the payment of such salary and allowances for a period of one or more years shall be reported by name to the Trustees at least three months before the meeting of the Convention, and the Trustees may include the same in its report to the Convention.

Sec. 5. All ~~congregations~~ **Congregations** and other ecclesiastical organizations or bodies subject to the authority of the Diocese of New York, and all other societies, organizations or bodies in the Diocese which under the regulations of The Church Pension Fund have elected or shall elect to come into the pension system, shall provide all lay employees who work a minimum of 1,000 hours annually retirement benefits through participation in the Episcopal Church Lay Employees' Retirement Plan (ECLERP) or in an equivalent defined contribution or defined benefit plan, the provisions of which are at least to equal those of ECLERP.

CANON ~~28~~ 27-ESTABLISHMENT OF CONGREGATIONS

Sec. 1. Authority to Establish New Congregations: The authority to establish new ~~congregations~~ **Congregations** is vested in the Bishop, acting with the advice and consent of the Standing Committee and the Trustees of the Diocese.

Sec. 2. Form of Application for Recognition as a New Congregation: A group of ~~twelve~~ **(12) twenty (20)** or more baptized persons seeking to worship together and to be recognized as a ~~congregation~~ **Congregation** in communion with this Diocese ~~shall submit an application in the following form to the Bishop:~~ **may apply to the Bishop for organization as a Congregation in a Strategic Setting in the following form:**

To the Right Reverend _____, *Bishop of New York*
We, the subscribers, **the undersigned** baptized persons, residents in the
Town(s) of _____, in the County **or**
Counties of _____, New York,
respectfully request that we be duly received as a ~~congregation~~ **Congregation**
in a Strategic Setting under the authority and direction of the **Bishop of the**

Diocese of New York, to be known as _____, in the Town of _____.

And we do hereby promise conformity to the **direction and** authority of the **Bishop and** Diocese, and to the ~~Constitution, Canons, Doctrine, Discipline and Worship~~ **of this Church as found in the Constitution and Canons** of The Protestant Episcopal Church of the United States and in the Diocese of New York. and we further pledge the sum of \$_____ to the support of the Minister for the first year.

Sec. 3. Hearing on Application by a New Congregation in a Strategic Setting: Prior to any action on a proposal to establish a new congregation **Congregation in a Strategic Setting**, the Standing Committee shall conduct a formal hearing, at which hearing any person who wishes to address the advisability of the proposal shall be heard. The Standing Committee shall publish notice of any such hearing ~~in an issue of the newspaper of record for the Diocese, to be published~~ not less than twenty (20) days prior to the date of the hearing, and shall also give twenty (20) days' written notice of any such hearing to any person or congregation **Congregation** that, in the opinion of the Standing Committee, may be affected by the proposal.

CANON 29 28-MISSIONS CONGREGATIONS IN STRATEGIC SETTINGS

Sec. 1. Becoming a Mission Congregation in a Strategic Setting: Any congregation **Congregation** established pursuant to Canon ~~28~~ **27** shall initially be established as a Mission Congregation **in a Strategic Setting**, and shall continue as such until the Bishop, the Standing Committee and the Trustees of the Diocese approve a change of status from Mission Congregation **in a Strategic Setting** to Congregation.

Sec. 2. Any other congregation **Congregation** that wishes to conduct its affairs in accordance with this canon **Canon** may apply to the bishop **Bishop** for permission to become a Mission Congregation **Congregation in a Strategic Setting**. An application to change status from Congregation to Mission Congregation **Congregation in a Strategic Setting** must be approved by **the Bishop and** the Vestry of the Congregation and ~~must~~ **may** include an offer to **the** transfer all of the real and personal property of the Congregation to the Trustees of the Diocese. ~~As soon as the application is approved~~ **Upon notification by the Bishop, Standing Committee and Trustees**, the Vestry **Avisory Board** shall complete the transfer of all the real and personal property of the Congregation to the Trustees.

Sec. 2. 3. Operation of the Mission Congregation in a Strategic Setting: A Mission Congregation **in a Strategic Setting** shall conduct its affairs under the **direction and** authority of the Bishop and in accordance with the following ~~rules~~ **provisions**:

- (1) When the Bishop consents to the organization of a Congregation in a Strategic Setting, the Bishop shall appoint a member of the Clergy to serve as Priest-in-Charge. The Priest-in-Charge shall serve at the pleasure and direction of the Bishop. The Bishop shall have the sole power to appoint and remove clergy serving a Congregation in a Strategic Setting.
- (2) The first Annual Meeting of the Congregation in a Strategic Setting shall be held as soon as possible following the establishment of the Congregation, and each Annual Meeting thereafter shall be held on the Sunday closest to the date of the first annual meeting.
- (3) Persons of the age of eighteen (18) years or more, belonging to the Congregation, who have been regular attendants at its worship and contributors of its support for at least twelve months prior to an annual meeting or since the establishment of such Congregation or approval of the Congregation's change of status, shall be qualified voters at the annual meeting. The action of an annual meeting upon any matter or question shall be decided by a majority of the qualified voters voting thereon.
- (4) At that Annual meeting, each Congregation in a Strategic Setting shall adopt By-laws, which shall be subject to the approval of the Bishop, and which shall not be inconsistent with the Canons of General Convention or these Canons.
- (5) The Congregation shall, in its Articles of Incorporation or By-laws, make provision for an Advisory Board, to consist of no fewer than five nor more than twelve members, including Senior and Junior Wardens, to be elected from among qualified electors of the Congregation for staggered, three year terms. The Bishop shall have the right to appoint an Advisory Board and Wardens to the Congregation in a Strategic Setting should the Bishop deem it necessary. The Bishop may also remove the Advisory Board and Wardens of a Congregation in a Strategic Setting for just cause.
- (6) The Priest-in-Charge shall serve as the Chair of the Advisory Board.
- (7) The Advisory Board shall meet regularly, at least quarterly, at such time and place as it shall by resolution determine. A special meeting shall be called upon the written request of the Bishop, of any two members of the Advisory Board, or by the Priest-in-Charge; or, in the absence of a Priest-in-Charge, by the Senior

Warden; or, in the absence of both Priest-in-Charge and Senior Warden, by the Junior Warden.

(8) At the first meeting of said Board following the annual meeting in each year the Board shall elect a Clerk and a Treasurer to hold office for one year. The duties of the Clerk and the Treasurer shall be similar to the duties of the Clerk and Treasurer of any Congregation.

(9) The Advisory Board shall have power to fill vacancies in its membership until the next Annual Meeting of the Congregation. It shall also elect the delegates to the Convention of the Diocese as provided in Canon 2.

- ~~1. As soon as a Mission Congregation is established or the transfer to mission status is approved, the Bishop shall appoint an interim Advisory Board, consisting of six members of the Mission Congregation, who must be regular attendants at services and regular contributors to the support of the Congregation. The interim Advisory Board shall serve until an Advisory Board is elected in accordance with this Canon.~~
- ~~2. Each new mission congregation shall adopt by laws, which shall be subject to the approval of the Bishop, and which shall not be inconsistent with the canons of General Convention or these canons.~~
- ~~3. The first Annual Meeting of the Mission congregation shall be held on that day following the establishment of the congregation or approval of transfer of status of the congregation as shall be fixed by the Vicar and the interim Advisory Board, and each Annual Meeting thereafter shall be held on the Sunday closest to the date of the first annual meeting. At the first Annual Meeting the number of members to constitute the Advisory Board shall be determined, which number shall be three (3), or a multiple thereof, not more than twenty four (24).~~
- ~~4. Only voters of said Mission Congregation shall be eligible for election to the Advisory Board. At the first Annual Meeting, one-third of the members of the Board shall be elected to hold office for one year, one-third for two years, and one-third for three years and thereafter one-third of said members shall be elected each year for a term of three years.~~
- ~~5. If the Advisory Board of a Mission Congregation shall by resolution recommend that the number of members of the Advisory Board be changed, notice of such recommendation shall be included in the notice of the next annual election of such Mission Congregation or in the notice of a special meeting to be held not less than six months before the time fixed for holding the next annual election thereafter, and to be submitted to such annual or special meeting. If such recommendation be ratified by such meeting it shall be so recorded in the minutes of the meeting and such change in the number of members of the Advisory Board shall take effect at the time of the next annual election thereafter. If the number of members be thereby increased, then, in addition to the number of members to be elected at such annual election, one-third of such increased number of members shall be elected to hold office for one year thereafter, one-third for two years thereafter, and one-third~~

for three years thereafter. If the number of members by such change be reduced, such reduction shall not affect the term of office of any member duly elected, and at such next annual election and at each annual election thereafter, one-third of such reduced number of members shall be elected to hold office for three years.

6. ~~Persons of full age or, when so determined at a regular or special meeting of such Mission Congregation, of the age of eighteen (18) years or more, belonging to the Mission Congregation, who have been regular attendants at its worship and contributors of its support for at least twelve months prior to an election or special meeting or since the establishment of such Mission Congregation or approval of the congregation's change of status, shall be qualified voters at any such election or special meeting. The action of an annual or special meeting upon any matter or question shall be decided by a majority of the qualified voters voting thereon.~~
7. ~~The priest in charge of a Mission Congregation shall be called by the title of Vicar. The Vicar of a Mission Congregation shall be the President of the Advisory Board and shall preside at all of its meetings and at all meetings of the congregation. If there be no Vicar or if he/she be absent, the Bishop's representative shall preside, and if he/she be absent, a lay member of the Advisory Board elected for the purpose shall preside. The duties of the Vicar and Advisory Board shall be similar to the duties of a Rector and Vestry of a parish, insofar as possible under the law, the canons, and the rules of the Board of Managers.~~
8. ~~At its first meeting after organization of the Mission Congregation or approval of its change in status, the Advisory Board shall elect a Clerk and a Treasurer to hold office until the first meeting of said Board following the first annual meeting of the Mission Congregation. At the first meeting of said Board following the annual meeting in each year the Board shall elect a Clerk and a Treasurer to hold office for one year. The duties of the Clerk and the Treasurer shall be similar to the duties of the Clerk and Treasurer of the parish.~~
9. ~~Regular meetings of the Advisory Board shall be held each month, except during the months of July, August and September, upon three days' notice to each member thereof by the Vicar, or if there be no Vicar, or if he/she be incapable of acting, by the Clerk of the Board. Special meetings may be called in the same manner. A majority of the membership of the Board shall constitute a quorum.~~
10. ~~The Advisory Board shall have power to fill vacancies in its membership until the next Annual Meeting of the Mission Congregation. It shall also elect the delegates to the Convention of the Diocese as provided in Canon 2.~~

Sec. 4. Role of the Bishop and Trustees of the Diocese: The Trustees Bishop of the Diocese and/or the Bishop's designees, shall be responsible for the supervision and regulation of the affairs of each mission congregation Congregation in a Strategic Setting. They The Trustees of the Diocese shall receive all gifts and bequests for the Mission Congregation in a Strategic Setting; have custody of its permanent funds; hold title to all of its real estate and make such rules to preserve the assets of the Mission Congregation in a Strategic Setting and require such reports as it shall see fit. No gift or donation of real estate shall be accepted, nor any purchases made for the Mission Congregation

Congregation in a Strategic Setting, nor any location of ~~Mission Congregation~~ **such Congregation's** site effected, nor any part of the buildings and grounds of the ~~Mission Congregation~~ **Congregation** leased or developed without the consent of the Bishop.

Sec. 4. Clergy Serving Mission Congregations: The Bishop shall have the sole power to appoint and remove clergy serving ~~Mission Congregations~~.

Sec. 5. Transfer of Status from ~~Mission Congregation~~ in a Strategic Setting to Congregation: The Bishop, with the approval of the Standing Committee and the Trustees of the Diocese, may approve a request from ~~Mission Congregation~~ **a Congregation in a Strategic Setting** to become a Congregation when, in his/her **the Bishop's** opinion, such change of status is warranted, and upon such terms as the Bishop shall deem appropriate.

Sec. 6. Dissolution of ~~Mission~~ a Congregation in a Strategic Setting: The Bishop, with the approval of the Standing Committee and the Trustees of the Diocese, may dissolve a ~~Mission Congregation~~ **Congregation in a Strategic Setting** when, in his/her **the Bishop's** opinion, such action shall be warranted. In the event of such dissolution, the Trustees of the Diocese shall become custodian of all funds and all property of the ~~Mission Congregation~~ **Congregation** not held by some other corporate body, and it shall be the duty of the ~~Vicar~~ **Priest-in-Charge** and Advisory Board to surrender control of such funds and property to said ~~Board of Managers~~ **Trustees**.

CANON 29-AIDED INTERVENTION FOR VULNERABLE CONGREGATIONS

Sec. 1. The Bishop shall make available to the Congregations of the Diocese a system of support, resources, and mutual accountability to encourage and enable the development of their life and ministry.

Sec. 2. Every Congregation is responsible to live within a system of support and mutual accountability that links its life and ministry with that of the Bishop and with those of other Congregations in the Diocese. In addition to the system of support referred to in Section 1, above, this Canon sets out a process for aided intervention to help Congregations that are or may be vulnerable, as described in Sections 3 and 5, below.

Sec. 3. A Congregation may be designated a Vulnerable Congregation under Section 5 (below) when one or more of the following conditions exists:

- (1) The Congregation employs a member of the clergy under ecclesiastical discipline or process; permits a church edifice to be used for purposes incompatible with its consecration; or pursues any persistent course inconsistent with the doctrine, discipline or worship of The Episcopal Church.**

- (2) The Congregation refuses or neglects to assemble and elect a Vestry as provided in these Canons; or neglects to send delegates to any Annual Convention of this Diocese.
- (3) The Congregation does not search for and elect clerical leadership after a reasonable period of time.
- (4) The Congregation does not comply with the provisions of Canon 26 in that it is not compensating its clergy with at least the minimum stipends and allowances set forth in the Compensation Guidelines of the Diocese of New York most recently adopted by the Convention of the Diocese; or does not pay canonically required pension assessments for its clergy and eligible lay employees; or does not maintain adequate insurance as determined by the Trustees.
- (5) The Congregation does not make timely reports including financial statements or a Parochial Report as required by these Canons or the Canons of The Episcopal Church on an annual basis.
- (6) Financial reports or other financial data reveal invasion of the principal portion of endowment funds, or other evidence of financial instability sufficient, in the judgment of the Bishop and Standing Committee, to warrant action under this Canon.
- (7) The Congregation has been designated a Congregation In Default In Apportioned Share, according to Canon 17, Section 7.
- (8) There is attempted or effected Alienation or Encumbrance of the real property of the Congregation without the consent of the Bishop, Standing Committee, and the Supreme Court or Attorney General of the State of New York.
- (9) There exists any other condition that would render the Congregation liable to action under the Constitution and Canons of the Diocese.

Sec. 4. _____ A process to determine the need for aided intervention may be initiated in any of the following ways:

- (1) The Rector or Priest-in-Charge, or the Vestry or Advisory Board by a majority vote, may invite the pastoral intervention of the Bishop who may appoint a committee of three persons to confirm and aid in the amelioration of the condition(s), and to report to the Bishop and Standing Committee thereon.
- (2) On the Bishop's own initiative, the Bishop may appoint a committee of three

persons to confirm and aid in the amelioration of the condition(s), and to report to the Bishop and Standing Committee thereon.

- (3) The Standing Committee may, by a majority vote, request the Bishop to appoint a committee of three persons to confirm and aid in the amelioration of the condition(s), and to report to the Bishop and Standing Committee thereon.

Sec. 5. In the event that the committee appointed under Section 4 confirms that any of the conditions detailed in Section 3 above in fact exists and is unlikely to be sufficiently ameliorated within a reasonable period of time, the Bishop, with the consent of a majority of the Standing Committee, may declare the Congregation to be a Vulnerable Congregation, and require one or more of the following measures:

- (1) Appointment by the Bishop of three or more communicants from within the Diocese of New York to govern the affairs of the Congregation as the Administrative Authority during the pendency of these conditions, and notwithstanding any other provisions for such governance; or the Bishop may call for the election of a new Vestry or Advisory Board;
- (2) Conveyance of title to all real property to the Trustees of the Diocese, who shall hold the same in trust during the pendency of these conditions; and
- (3) Such other measures as the Bishop, with the concurrence of the majority of the Standing Committee, shall determine.

Sec. 6. The Bishop, with the advice and consent of the Standing Committee, may remove a Congregation's designation as a Vulnerable Congregation, thereby terminating any actions or restrictions imposed upon it under this Canon during the period of time it was deemed a Vulnerable Congregation, to the end that thereafter the revitalized Congregation may continue its life and ministry as an integral part of the Diocese.

Sec. 7. When, in the judgment of the Bishop, and with the advice and consent of a majority of the Standing Committee, a Vulnerable Congregation has either completed its mission or exhausted its resources, the Bishop may end the existence of the Congregation, and its property and other assets shall be transferred to the Trustees of the Diocese. The Congregation shall receive notification of such action by the Bishop including the right to appear before the Bishop and Standing Committee. The Diocese will take appropriate steps to conclude the affairs of the Congregation. The people and clergy of the affected Congregation shall be assisted in continuing their lives in faith in the Diocese.

CANON 30-CONTRIBUTION FOR CHURCH OBJECTS

In every Congregation of the Diocese provision shall be made whereby its members may make offerings, by collections and otherwise, as often as the needs of the Church shall require, for the support of its objects, particularly its missionary work at home and abroad, the education for the sacred ministry, and those other religious and charitable objects which are commended to the care of the Church by the General Convention, or by the Convention of the Diocese; and it shall be the duty of the clergy in charge to give due notice to the Congregation of the time and purpose of such offerings, and also to call their attention to the importance and claims of the respective objects to which the offerings are to be applied.

PART VII - INSTITUTIONS AFFILIATED WITH THE DIOCESE

CANON 31

Sec. 1. Any institution, society or other organization by whatever designation heretofore or hereafter organized, representing itself to be an institution, society or other organization of the Diocese of New York for any purpose whatever, may do so only on condition that:

- (1) It shall not be operated for profit and its charter, constitution, or bylaws shall specify its purposes;
- (2) At least a majority of its governing board shall be members in good standing of a Congregation in union with the Convention of the Diocese or Clergy canonically resident therein; and in the case of an agency receiving funds collected under the authority of Convention, it shall elect or appoint to its governing board at least one member of the Trustees of the Diocese other than the Bishop, although he/she may also be a member;
- (3) It shall not sell, alienate or encumber real property belonging to it without giving to the Trustees of the Diocese thirty days' prior notice of such intention;
- (4) It shall file with the Secretary of the Convention certified copies of its charter, constitution, bylaws, and all amendments to such documents;
- (5) It shall make a written annual report to the Trustees of the Diocese setting forth the names of its governing board and its financial transactions and other activities during the previous year;
- (6) It shall comply with the provisions of the Canon of the General Convention entitled "Of Business Methods in Church Affairs";
- (7) It shall, as a condition to receiving any funds collected under the authority of the Convention, comply with such terms as may be prescribed by the Trustees of the Diocese; and
- (8) It shall permit the Bishop or her/his designee to visit it and examine its books, minutes, records and affairs, to determine whether it conforms, and continues to conform, to the provisions of this Canon and whether its standards and performance of work and service warrant continued recognition. If in the opinion

of the Bishop it shall fail to meet such requirements, he/she may so report to the Trustees of the Diocese, whereupon the Trustees may take action as, in its discretion, may be deemed appropriate, either to correct undesirable conditions or to end its status as a diocesan institution, society or other agency.

Sec. 2. The Trustees of the Diocese shall file annually with the Secretary of Convention a list of the names of all institutions, societies, or other agencies that the Trustees shall recognize as "Diocesan," and such list shall be published in the Convention Journal.

CANON 32-DESIGNATED MINISTRIES

The Bishop may with the approval of the Diocesan Council designate and authorize Designated Ministries, subject to a written agreement to be reached between the Bishop, Diocesan Council and each Designated Ministry. Designated Ministries shall annually report to the Bishop and Council. The Bishop may revoke the designation and authorization with the approval of the Diocesan Council.

PART VIII - DISCIPLINE

CANON 32 33-TRIAL OF A PRESBYTER PRIEST OR DEACON

Sec. 1. Definitions: Capitalized terms used in this Canon shall have the meanings attributed to them in ~~CGC IV.2~~ **Title IV, Section 2 of the Canons of General Convention (CGC).**

Sec. 2. Mode of Proceeding: Whenever information concerning an ~~Offense~~ **Offense** by a Member of the Clergy of the Diocese has been received by the Intake Officer or Bishop, the matter shall proceed in accordance with Title IV of the Canons of General Convention (~~CGC~~) and this Canon.

Sec. 3. Disciplinary Board: The **Disciplinary** Board shall consist of seven persons, four of whom are ~~presbyters~~ **Priests or Deacons** canonically and geographically resident in the Diocese and three of whom are lay adult communicants in good standing and members of a congregation of this Diocese. The members of the **Disciplinary** Board shall be elected by Diocesan Convention for concurrent three-year terms. Candidates for the **Disciplinary** Board shall be chosen by the Leadership Development Committee in accordance with ~~the procedures set forth in~~ **CGC IV.5.3** and Canon 11 of this Diocese. Within sixty days following election of the **Disciplinary** Board, the Bishop shall appoint from among the members of the **Disciplinary** Board a President to serve for that term. Upon determining that a vacancy in the **Disciplinary** Board exists, the President of the **Disciplinary** Board shall notify the Bishop who shall appoint a person of the same order ~~and eligibility requirements~~ as the former member to serve the remainder of the term left vacant, **subject to the eligibility requirements of CGC IV.5.3.**

Sec. 4. Disciplinary Board Clerk: **The Disciplinary Board shall appoint a Disciplinary Board Clerk to perform the functions set forth in CGC IV. The Disciplinary Board Clerk**

shall be subject to the eligibility qualifications set forth in CGC IV.5.3(g).

Sec. 5. Disciplinary Panels: In the event a Conference Panel shall have more than one member, the Conference Panel shall include at least one Priest. A Hearing Panel shall include at least one Priest or Deacon.

Sec. 4. 6. Church Attorney: At the beginning of each three-year term of the **Disciplinary** Board, the Bishop, in consultation with the **Disciplinary** Board, shall appoint one or more Church Attorneys to serve for three years. The Church Attorney shall be a confirmed communicant in good standing, a member of a congregation affiliated with ~~the~~ **The** Episcopal Church, a member of the Bar of the State of New York, and a person learned in **familiar with** canon law. The Bishop, in consultation with the Standing Committee, may for the good order of the Church remove a Church Attorney from that position. In the event a Church Attorney during his/her term resigns or is unable to perform the duties of a Church Attorney, the Bishop ~~may, or in the event of a total vacancy must,~~ **shall,** in consultation with the **Disciplinary** Board, appoint a replacement Church Attorney. The Church Attorney ~~may,~~ but need not be, compensated for services rendered at a rate set in a written retainer agreement not to exceed customary prevailing rates for comparable attorneys in this Diocese. Whether or not the Church Attorney is compensated, the Diocese shall be responsible for reimbursing the reasonable and necessary disbursements and expenses incurred by the Church Attorney in carrying out his/her duties. If no Church Attorney appointed pursuant to this section is able to serve in connection with a particular matter, the Bishop, in consultation with the **Disciplinary** Board, shall appoint a temporary Church Attorney to serve on that matter.

Sec. 5. 7. Intake Officer: One or more Intake Officers shall be appointed from time to time by the Bishop. The Bishop shall publish throughout the Diocese the names and contact information of all Intake Officers.

~~**Sec. 6. Investigator:** The Bishop, in consultation with the President of the Board, shall appoint one or more Investigators to be compensated as agreed between the Bishop and the Investigator and whose reasonable and necessary expenses shall be reimbursed. An Investigator need not be a member of the Church.~~

Sec. 7. 8. Pastoral Response Coordinator: The Bishop may appoint a **person (a “Pastoral Response Coordinator”)** to serve at the will of the Bishop in ~~coordinating the delivery of appropriate~~ **implementing the** pastoral responses provided for in CGC IV.8. The Pastoral Response Coordinator may be the Intake Officer, but shall not be a person serving in any other appointed or elected capacity under this Canon or CGC IV.

Sec. 9. Investigator: The Bishop, in consultation with the President of the **Disciplinary** Board, shall appoint one or more Investigators to be compensated as agreed between the Bishop and the Investigator and whose reasonable and necessary expenses shall be reimbursed. An Investigator need not be a member of the Church.

Sec. 8. 10. Advisors: In each proceeding under ~~this Canon or~~ CGC IV, the Bishop shall appoint an Advisor for the Complainant and an Advisor for the Respondent. Persons serving as

Advisors shall not hold any other appointed or elected position under ~~this Canon or~~ CGC IV, and shall not be **the Bishop or** a chancellor or vice chancellor of this Diocese or likely to be called as a witness in the proceeding.

~~**Sec. 9. Clerk:** The Board shall appoint a Board Clerk to assist the Board with records management and administrative support. The Clerk may be a member of the Board.~~

~~**Sec. 10. Panels:** In accordance with CGC IV.2 a Reference Panel shall be composed of the Intake Officer, the President of the Board and the Bishop. A Conference Panel and the Hearing Panel shall be chosen by the President of the Board in accordance with the requirements of CGC IV. In the event a Conference Panel shall have more than one member, the Panel shall include at least one presbyter. A Hearing Panel shall include at least one presbyter.~~

~~**Sec. 11. Order:** In addition to the requirements of CGC IV.14.7, the issuing **Prior to the issuance of an Order by a** Conference **Panel** or **a** Hearing Panel, **each of the Bishop and the Complainant shall have an opportunity to be heard by the Panel on the proposed terms of the Order. In addition,** not less than fifteen (15) days prior to issuing an Order, shall notify the Bishop of the intent to issue an Order and confer with the Bishop concerning the proposed terms of the Order. The 15 day period may be shortened only with the consent of the Bishop.~~

~~**Sec. 12. Costs:** The **In connection with a proceeding under CGC IV, the** reasonable costs and expenses of **the Disciplinary** Board, ~~the~~ **each** Intake Officer, ~~the~~ **each** Investigator, ~~the~~ **each** Church Attorney, the **Disciplinary** Board Clerk, **each Advisor** and the Pastoral Response Coordinator shall be the obligation of the Diocese, subject to budgetary constraints as may be established by **Diocesan** Convention. In the event of a ~~final order dismissing the Complaint or by provisions of a Covenant approved by the Bishop~~ **the agreement of an Accord or the issuance of an Order,** the reasonable ~~defence~~ **defense** fees and costs incurred by the Respondent, or a portion thereof, may be paid or reimbursed by the Diocese, subject to budgetary constraints as may be established by Convention.~~

~~**Sec. 13. Records:** Records of open proceedings before the **Disciplinary** Board, including any appeal, shall be preserved and maintained by the **Disciplinary Board** Clerk. The Bishop shall make provision for the permanent storage of all records of all proceedings under this Canon and CGC IV in the archives of the Diocese and, **to the extent required by CGC IV.19.30 (c) and (d), in,** the archives **Archives** of The Episcopal Church as ~~prescribed in~~ CGC IV.30(c),(d).~~

CANON ~~33~~ 34-DISSOLUTION OF THE PASTORAL RELATION

~~**Sec. 1.** Except upon mandatory resignation by reason of age, a Priest may not resign as Rector of a Parish **Congregation** without the consent of its Vestry, nor may any Rector canonically or lawfully elected and in charge of a Parish **Congregation** be removed~~

therefrom by the Vestry against the Rector's will, except as hereinafter provided.

Sec. 2. If for any urgent reason a Rector or Vestry desires a dissolution of the pastoral relation, and the parties cannot agree, either party may give notice in writing to the Ecclesiastical Authority of the Diocese. Whenever the Standing Committee is the Ecclesiastical Authority of the Diocese, it shall request the Bishop of another Diocese to perform the duties of the Bishop under this Canon.

Sec. 3. Within sixty (60) days of receipt of the written notice the Bishop, as chief pastor of the Diocese, shall mediate the differences between Rector and Vestry in every informal way which the Bishop deems proper, including by using the good offices of any ~~bishop suffragan~~ **Bishop Suffragan** or ~~bishop-assisting~~ **Assistant Bishop** then serving in this Diocese. The Bishop may appoint a committee of at least one Presbyter and one Lay Person, none of whom may be members of the ~~parish~~ **Congregation** involved, to make a report to the Bishop.

Sec. 4. If the differences between the parties are not resolved after completion of the mediation, the Bishop shall proceed as follows:

- (1) The Bishop shall give notice to the Rector and Vestry that a godly judgment will be rendered in the matter after consultation with the Standing Committee and that either party has the right within ten days to request in writing an opportunity to confer with the Standing Committee before it consults with the Bishop.
- (2) If a timely request is made, the President of the Standing Committee shall set a date for the conference, which shall be held within thirty days.
- (3) At the conference, each party shall be entitled to representation and to present its position fully.
- (4) Within thirty (30) days after the conference or after the Bishop's notice if no conference is requested, the Bishop shall confer with and receive the recommendation of the Standing Committee; thereafter the Bishop, as final arbiter and judge, shall render a godly judgment.
- (5) Upon the request of either party the Bishop shall explain the reasons for the judgment. If the explanation is in writing, copies shall be delivered to both parties.
- (6) If the pastoral relation is to be continued, the Bishop shall require the parties to agree on definitions of responsibility and accountability for the Rector and the Vestry.
- (7) If the relation is to be dissolved:
 - (a) The Bishop shall direct the Secretary of the Convention to record the dissolution.
 - (b) The judgment shall include such terms and conditions including financial settlements as shall seem to the Bishop just and compassionate.

Sec. 5. In either event the Bishop shall offer appropriate supportive services to the Priest and the Congregation.

Sec. 6. In the event of the failure or refusal ~~or of~~ either party to comply with the terms of the judgment, the Bishop may impose penalties on the non-compliant party, including, without limitation, the following:

- (1) In the case of a Rector, suspending the Rector from the exercise of the priestly office until the Priest shall comply with the judgement.
- (2) In the case of a Vestry, recommending to the Convention of the Diocese that the ~~Parish~~ **Congregation** be placed under the supervision of the Bishop ~~as a Mission~~ until it has complied with the judgment.

Sec. 7. For cause, the Bishop may extend the time periods specified in this Canon, provided that all be done to expedite these proceedings. All parties shall be notified in writing of the length of any extension.

Sec. 8.

- (1) Statements made during the course of proceedings under this Canon are not discoverable or admissible in any proceedings under Title IV of the canons of General Convention and Canon ~~31~~ **33** of these canons, provided that this does not require the exclusion of evidence in any proceeding under the Canons that is otherwise discoverable and admissible.
- (2) In the course of proceedings under this Canon, if a charge is made by the Vestry against the Rector that could give rise to a disciplinary proceeding under CGC IV.1, all proceedings under this Canon shall be suspended until the charge has been resolved or withdrawn.

PART IX – AMENDMENTS

CANON ~~34~~ 35-AMENDMENTS

Any proposed amendment to these Canons may be considered by Convention only if at least one day's previous notice thereof shall have been given to a meeting of Convention or it has been printed in the Calendar of Business and ~~mailed~~ **forwarded** as provided in Canon 5.

Such amendment must be referred to and recommended by the Committee on Canons unless such reference be dispensed with by unanimous consent.

If such amendment be adopted by a majority vote of Convention, ~~it shall lie over for consideration until the next Annual Convention when, if again adopted by a majority vote,~~ the Canons shall be amended accordingly.

~~If such amendment be adopted by unanimous vote of the Convention or by a two-thirds vote of both Orders taken separately, the amendment shall take effect as set forth in the resolution.~~

PART X - COMMUNICATIONS

CANON ~~35~~ 36-ELECTRONIC COMMUNICATIONS

All notices, mailings, transmittals, certifications and other communications under these Canons may be sent by electronic means, as well as any other means provided hereunder, ~~except for: (1) certifications under Canon 2, (2) printings and mailings of the Calendar of Business under Canon 5, Sec. 2 (3) transmittals of copies of the Journal of Convention under Canon 6, Sec. 1, (4) submissions under Canon 28, Sec. 2 and (5) communications under Canons 32 and 33.~~ Any communications by electronic means permitted hereunder may be sent to the electronic address ~~or telecopier number~~ of the recipient as set forth in the Secretary's or Bishop's books and records from time to time. In addition to the foregoing, all publications of notices in a newspaper of record for the Diocese may, in lieu of such publication, be sent via electronic means to any affected persons or posted on the website of the Diocese.