

Committee on Constitution and Canons
Report and Recommendations to Synod, November 9, 2019

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Motion to vote on amendments

Before proceeding with the proposed amendments, we must address a canonical requirement that has not been fulfilled this year. Title V, Canon 1 on Amendments to the Canons states the following:

“The Committee [on Constitution and Canons] shall review and report its recommendation to the Synod regarding any proposed amendment no fewer than 60 days prior to the next Synod meeting.”

For various reasons, we were not able to report the proposed amendments to the Synod by the 60 day deadline. Therefore, in order for us to proceed, a motion must be passed by the Synod granting us permission to proceed notwithstanding the 60 day deadline that was missed.

Our Canonical Amendment Process – Catching Up on Business

- **Title V, Canon 1 – Amendments to the Canons.**

The Canons of the Diocese, including its appendices, may be amended by a two-thirds majority vote of the Synod at any regular meeting or any Special Meeting called for that purpose. No amendment to these Canons, including its appendices, may be adopted until it has been first noticed to and reviewed by the Constitution and Canons Committee and the Bishop Ordinary, and its recommendations given to the Synod. All proposed amendments to the Canons shall be submitted to the Committee no fewer than 120 days prior to the next Synod meeting. The Committee shall review and report its recommendation to the Synod regarding any proposed amendment no fewer than 60 days prior to the next Synod meeting. If approved by a two-thirds majority vote of the Synod, the amendment shall lie over to the next annual meeting of the Synod, and, if again approved in the same form by a two-thirds majority vote, the Canons shall then stand amended as proposed, after the completion of a 90-day waiting period after the amendment has been finally passed.

2017 approved amendments should have been re-presented for a 2nd vote at our 2018 Synod, but that did not happen. Therefore, we will first review our 2017 approved amendments for the required 2nd vote. Then we will review our 2018 approved amendments for the required 2nd vote. Finally, we will review the 2019 proposed amendments for their 1st vote.

Second Vote for 2017 Amendments

Proposal #1 – Constitution Article X – Concerning Men and Women in Ordained Ministry.

- Original Language:
 - Within the Anglican Church in North America there is a diversity of understanding regarding the role of ordination for women, and therefore the roles women may serve within the sacramental ministry of the Church. This Diocese upholds the biblical teaching that both men and women are created in God's image, are redeemed in Christ to be equal heirs of the grace of God, and are freely called and fully gifted for Kingdom ministry according to his sovereign will. Therefore, this Diocese is committed to promoting and honoring the ministry of women alongside men, both within and outside the church. Nevertheless, this Diocese believes that a biblical balance between equality of gifting, freedom for ministry, and the embodiment of spiritual order within the Church is best expressed by distinguishing the ordained roles available to men and women. This Diocese ordains called and gifted women as vocational deacons. We ordain called and gifted men as vocational deacons, transitional deacons, and presbyters. In all this, we gratefully receive the service of both men and women as vocational deacons, and men as transitional deacons, in a broad variety of ministries according to God's gifts and callings in each person's life. At the same time we express our commitment to order within the Church by reserving sacramental ministry to presbyters.

****As voted and approved at the 2016 Synod, the following sentence of Article X remains bracketed until reviewed by the Committee on Constitution and Canons. Said committee will submit to the Synod for adoption any recommended changes to this sentence no later than 60 days prior to the 2017 Synod.***

[The bishop may give specific permission for a deacon to preside at the celebration of a marriage, to preside at baptisms, or to preside at a service in which the reserved sacrament is administered.]

- Proposed amendment:
 - Strike the final sentence [i.e. the red & bracketed section] of Article X as follows:
[The bishop may give specific permission for a deacon to preside at the celebration of a marriage, to preside at baptisms, or to preside at a service in which the reserved sacrament is administered.]

- Rationale:
 - This sentence is unnecessary. Episcopally-granted exceptions for deacons are already permitted in the ACNA Texts for Common Prayer:
 - Deacons may officiate weddings. “Should a deacon, by lawful authority, be permitted by the Bishop to officiate...” (BCP pg. 212).
 - Deacons may preside at baptisms. “In the absence of a bishop or priest, the bishop may specially authorize and delegate a deacon to preside...” (BCP pg. 171).
 - Deacons may distribute consecrated bread and wine. “In the absence of a Priest, the Bishop may, at his discretion, authorize a Deacon to distribute Holy Communion...” (BCP pg. 142).
 - Furthermore, the ACNA Constitution and Canons do not prohibit bishops from granting such exceptions (cf. Title II, Canons 4, 6 & 7).
- **2017 Synod vote outcome: The motion carried.**
- **CCC Recommendation: the committee recommends the 2019 Synod vote to reaffirm the 2017 Synod vote, and pass the amendment.**

Proposal #2 – Title I, Canon 6.3.3a – Vestry Member Eligibility

- Original Language:
 - **3. Vestry Member Eligibility, Qualifications, Duties, Oath and Vacancies**
 - a. **Eligibility**

Only those Eligible Voters of the Congregation who are over 21 years of age and have also been confirmed or received by a Bishop of the Province or another Province of the Anglican Communion shall be eligible to serve on Vestry. At the time that the Diocese is constituted by the Province, twenty-four months or more shall be allowed for all current Vestry members serving congregations or missions of the Diocese to come into compliance with this provision.

Congregations entering the Diocese at its constitution, or entering the Diocese at a later date, that do not have a confirmation process in place are encouraged to develop a process of catechesis (discipleship) that would lead to confirmation. The Bishop and the Diocesan Staff are available to assist in helping develop a catechetical process appropriate to the discipleship ministry and mission of each local church.

Unless permitted by written waiver of the Bishop Ordinary or the Diocesan Council: (1) spouses and other immediate family members of Vestry members; and (2) paid staff of the Congregation, excepting the Rector, and their spouses and other immediate family members are ineligible to serve on Vestry.

- Proposed amendment:
 - Retain the entire red section with one underlined addition as follows:

Eligibility
Only those Eligible Voters of the Congregation who are over 21 years of age and have also been confirmed or received by a Bishop of the Province or another Province of the Anglican Communion shall be eligible to serve on Vestry. At the time that the Diocese is constituted by the Province, twenty-four months or more shall be allowed for all current Vestry members serving congregations or missions of the Diocese to come into compliance with this provision. For reasons vital to the mission and health of the congregation, the Rector and/or Vestry of a Congregation may petition the Bishop to allow non-confirmed Congregation members to serve on the Vestry, and the Bishop may grant such exceptions.

Congregations entering the Diocese at its constitution, or entering the Diocese at a later date, that do not have a confirmation process in place are encouraged to develop a process of catechesis (discipleship) that would lead to confirmation. The Bishop and the Diocesan Staff are available to assist in helping develop a

catechetical process appropriate to the discipleship ministry and mission of each local church.

Unless permitted by written waiver of the Bishop Ordinary or the Diocesan Council: (1) spouses and other immediate family members of Vestry members; and (2) paid staff of the Congregation, excepting the Rector, and their spouses and other immediate family members are ineligible to serve on Vestry.

- Rationale:
 - Confirmation is important. We recognize that having only confirmed members serving on vestries should be the normative practice throughout the diocese. However, in certain local contexts this requirement may impede rather than serve the life and mission of a congregation. Thus, we propose an additional sentence providing for such exceptions.
- **2017 Synod vote outcome: The motion carried.**
- **CCC Recommendation: the committee recommends the 2019 Synod vote to reaffirm the 2017 Synod vote, and pass the amendment.**

Proposal #3 – Title I, Canon 6.3.3e – Vestry Elections

- Original Language:
 - **e. Vestry Elections**

Every Congregation shall have an Annual Meeting in keeping with its governing documents at which meeting new Vestry members shall be elected. Unless overriding pastoral or local reasons as agreed upon by the Bishop in consultation with the Rector and senior lay leader dictate otherwise, it is required that a Congregation establish staggered terms for its Vestry members.

There may be adequate reasons for delaying the implementation of the provision of staggered terms within the first three (or more) years of the establishment of a new mission or church. A planting pastor or senior lay leader may request such an exception from the Bishop. In this case, a written plan for the appropriate time frame for implementing this provision can be developed between the planting pastor and the Bishop.

Any person who has served for two successive vestry terms shall be ineligible to stand for election to the Vestry for at least one year. The governing documents of the local congregation may also provide for additional meetings of the Congregation as well as for alternative methods of annual selection of vestry members, the filling of vacancies, etc.

- Proposed amendment:
 - Replace the third paragraph (strikethrough text) with the underlined text as follows:

~~*Any person who has served for two successive vestry terms shall be ineligible to stand for election to the Vestry for at least one year. The governing documents of the local congregation may also provide for additional meetings of the Congregation as well as for alternative methods of annual selection of vestry members, the filling of vacancies, etc.*~~

The practice of a rotating Vestry is normative Anglican Polity, and therefore it will be the practice of this Diocese for Vestry members to serve limited terms and to limit consecutive terms. Any Vestry member who has served for six consecutive years shall be ineligible to stand for re-election to the Vestry for a period of at least one year. For reasons vital to the mission and health of the congregation, the Rector and/or Vestry of a Congregation may petition the Bishop to operate outside this practice, and the Bishop may grant such exceptions.

- Rationale:
 - In order to provide for greater missional flexibility in our parishes, we simplified vestry term limits from up to two consecutive 3-year terms to six consecutive years (thus allowing, for example, three consecutive 2-year terms). We also made provision for additional flexibility at the discretion of the bishop.

- **2017 Synod vote outcome: The motion carried.**
- **CCC Recommendation: the committee recommends the 2019 Synod vote to reaffirm the 2017 Synod vote, and pass the amendment.**

Proposal #4 – Title I, Canon 8 – Creation of Congregational Debt

- Original Language:

- **Section 1. Standard Governing Creation of Indebtedness**

The creation of congregational debt shall be undertaken with caution and due regard for the fiduciary responsibilities of the Vestry.

- Section 2. Reports to the Bishop, Diocesan Council and Finance Committee of the Diocese Regarding Certain Indebtedness**

Congregations and Missions shall seek the permission, blessing, and advice of the Bishop and the Finance Committee before incurring debt. Congregations and Missions shall be required to inform the Bishop, Diocesan Council, and Finance Committee of the Diocese if their plans for indebtedness would result in annual debt service payments in excess of their Congregation's or Mission's average annual income over the previous three years. The report should include information regarding the Congregation's or Mission's plan for debt repayment. Congregations and Missions reporting such indebtedness shall provide annual updates to the Bishop, Diocesan Council and Finance Committee of the Diocese regarding the status of such indebtedness for so long as the indebtedness continues at the level originally reported.

- Section 3. Limits on Indebtedness**

The governing documents of a Congregation may provide for limits on borrowing without the affirmative vote of a majority of the Congregation at a meeting called for that purpose.

- Proposed amendment:

- Retain the entire red sections 1 and 3. Replace the red Section 2 with the underlined text as follows:

- Section 1. Standard Governing Creation of Indebtedness***

The creation of congregational debt shall be undertaken with caution and due regard for the fiduciary responsibilities of the Vestry.

- Section 2. Reports to the Bishop, Diocesan Council and Finance Committee of the Diocese Regarding Certain Indebtedness***

Congregations and Missions shall seek the permission, blessing, and advice of the Bishop and the Finance Committee before incurring debt. Congregations and Missions shall be required to inform the Bishop, Diocesan Council, and Finance Committee of the Diocese if their plans for indebtedness would result in annual debt service payments in excess of their Congregation's or Mission's average annual income over the previous three years. The report should include information regarding the Congregation's or Mission's plan for debt repayment. Congregations and Missions reporting such indebtedness shall provide annual updates to the Bishop, Diocesan Council and Finance Committee of the Diocese

~~regarding the status of such indebtedness for so long as the indebtedness continues at the level originally reported.~~

Congregations and Missions shall be required to inform the Bishop of the Diocese if their plans for indebtedness would result in annual debt service payments in excess of their Congregation's or Mission's average annual income over the previous three years. The report should include information regarding the Congregation's or Mission's plan for debt repayment. Congregations and Missions reporting such indebtedness shall provide annual updates to the Bishop of the Diocese regarding the status of such indebtedness for so long as the indebtedness continues at the level originally reported.

***Section 3. Limits on Indebtedness** The governing documents of a Congregation may provide for limits on borrowing without the affirmative vote of a majority of the Congregation at a meeting called for that purpose.*

- **Rationale:**
 - While it is appropriate for the bishop to show pastoral concern regarding congregational indebtedness, fiscal responsibility is among the chief duties of vestries. Property ownership is solely the concern of the local congregation according to the ACNA Constitution (Article XII), ACNA Canon I.6.6, and our own diocesan Constitution (Article IX). As originally worded, Section 2 is a burden, not only to the parish, but also to the bishop. In addition, seeking the permission of any diocesan authority for local fiscal matters is inconsistent with the constitutions and canons of both ACNA and DCH, as well as the norms of Anglican polity. This revision therefore requires local congregations and missions to inform the Bishop alone so that he may provide wise counsel.
- **2017 Synod vote outcome: The motion carried.**
- **CCC Recommendation: the committee recommends the 2019 Synod vote to reaffirm the 2017 Synod vote, and pass the amendment.**

Second Vote for 2018 Amendments

Proposal #1 – Title I, Canon 6.3.3.e – Vestry Elections, tidying up language from 2017 discussion at Synod

- Original Language:
 - The practice of a rotating Vestry is normative Anglican Polity, and therefore it will be the practice of this Diocese for Vestry members to serve limited terms and to limit consecutive terms. Any Vestry member who has served for six consecutive years shall be ineligible to stand for re-election to the Vestry for a period of at least one year. For reasons vital to the mission and health of the congregation, the Rector and/or Vestry of a Congregation may petition the Bishop to operate outside this practice, and the Bishop may grant such exceptions.

- Proposed amendment:
 - The practice of a rotating Vestry is normative Anglican Polity, and therefore it will be the practice of this Diocese for Vestry members to serve limited terms and to limit consecutive terms. Any Vestry member who has served for six consecutive years *or two consecutive terms* shall be ineligible to stand for re-election to the Vestry for a period of at least one year. For reasons vital to the mission and health of the congregation, the Rector and/or Vestry of a Congregation may petition the Bishop *in writing* to operate outside this practice, and the Bishop may grant such exceptions *in writing*.

- Rationale:
 - *“or two consecutive terms”* - The problem brought up at Synod is that any particular church could manipulate the years or terms of service to find a “loophole” in this canon, thus staying in office for longer than the six years mentioned in the canon. (E.g. If a person serves a 4 year term, then is re-elected, they could end up serving 8 years, etc.)
 - *“in writing”* – At request of the Bishop at Synod 2017, this clause has been added so that the Diocese can keep a written record of exceptions given.

- CCC’s Recommendation:
 - New proposal for amendment:
 - The practice of a rotating Vestry is normative Anglican Polity, and therefore it will be the practice of this Diocese for Vestry members to serve limited terms and to limit consecutive terms. *No vestry member may serve more than 6 consecutive years without a period of inactivity for at least one year.* For reasons vital to the mission and health of the congregation, the Rector and/or Vestry of a Congregation may petition the Bishop *in writing* to operate outside this practice, and the Bishop may grant such exceptions *in writing*.

- CCC's Rationale for Recommendation:
 - This language solves the problem addressed in a simpler and more direct fashion. Churches who need more flexibility can petition the Bishop in writing.

- **2018 Synod vote outcome: The motion carried.**

- **CCC Recommendation: the committee recommends the 2019 Synod vote to reaffirm the 2018 Synod vote, and pass the amendment.**

Proposal #2 – Title I, Canon 5, Section 2.1 – CCC is too large to populate

- Original Language:
 - There shall be a Committee on Constitution and Canons, which shall consist of twelve members: six clergy and six lay. In addition, the Bishop and the Chancellor shall serve as ex officio members of this Committee with voice but no vote. The Bishop shall appoint three members of the Committee on Constitution and Canons. The remaining nine members shall be elected by the Synod for staggered three-year terms. The Diocesan Council shall fill vacancies which may arise between meetings of the Synod, with such appointments to serve until the next annual Synod. Each member of the Committee on Constitution and Canons shall be and remain while serving a communicant in good standing of a Congregation or Mission of this Diocese.

- Proposed amendment:
 - There shall be a Committee on Constitution and Canons, which shall consist of *eight* members: *four* clergy and *four* lay. In addition, the Bishop and the Chancellor shall serve as ex officio members of this Committee with voice but no vote. The Bishop shall appoint *two* members of the Committee on Constitution and Canons. The remaining *six* members shall be elected by the Synod for staggered three-year terms. The Diocesan Council shall fill vacancies which may arise between meetings of the Synod by appointment to serve until the next annual Synod. Each serving member of the Committee on Constitution and Canons shall be and remain a communicant in good standing of a Congregation or Mission of this Diocese.

- Rationale:
 - Changing size and ratio of the CCC: Having 12 members is too large to make the CCC a “working” group. Additionally, we have yet to populate the team fully with active members. Reducing the total number to 8 makes this a more functional team. Also, because of the reduced number of members reducing the number of clergy and laity on the team (but keeping ratio) and the number of appointees of the Bishop seems appropriate.

- **2018 Synod vote outcome: The motion carried.**

- **CCC Recommendation: the committee recommends the 2019 Synod vote to reaffirm the 2018 Synod vote, and pass the amendment.**

Proposal #3 - Canon 6, Section 3.8 (“Audits and Review”) - Fixing a Technical Accounting Term

- Original Language:
 - Churches or parishes with total revenues (all funds combined) of \$1,000,000 or more shall have an independent, external financial review or full audit in accordance with Generally Accepted Accounting Principles no less frequently than every third year but should perform “Agreed Upon Procedures” (see Title I, Canon 6, Section 3.8) in the intervening years. At any time, the Vestry may call for a full financial audit.

- Proposed amendment:
 - Churches or parishes with total revenues (all funds combined) of \$1,000,000 or more shall have an independent, external financial review or full audit in accordance with *Generally Accepted Auditing Standards* no less frequently than every third year but should perform “Agreed Upon Procedures” (see Title I, Canon 6, Section 3.8) in the intervening years. At any time, the Vestry may call for a full financial audit.

- Rationale:
 - This is a correction to more accurately capture the original intent of the language. The existing reference to “Generally Accepted Accounting Principles” (GAAP), which relate to the principles for financial reporting, is incorrect in this section, as the purpose of the section is to capture the standards under which the external review or audit should be performed. The appropriate reference is to “Generally Accepted Auditing Standards” (GAAS).

- **2018 Synod vote outcome: The motion carried.**

- **CCC Recommendation: the committee recommends the 2019 Synod vote to reaffirm the 2018 Synod vote, and pass the amendment.**

2019 Proposed Amendments
to the Canons of the Diocese of Christ our Hope

Proposal #1 – Title V, Canon 1 – Amendments to the Canons.

- Current language:
 - The Canons of the Diocese, including its appendices, may be amended by a two-thirds majority vote of the Synod at any regular meeting or any Special Meeting called for that purpose. No amendment to these Canons, including its appendices, may be adopted until it has been first noticed to and reviewed by the Constitution and Canons Committee and the Bishop Ordinary, and its recommendations given to the Synod. All proposed amendments to the Canons shall be submitted to the Committee no fewer than 120 days prior to the next Synod meeting. The Committee shall review and report its recommendation to the Synod regarding any proposed amendment no fewer than 60 days prior to the next Synod meeting. If approved by a two-thirds majority vote of the Synod, the amendment shall lie over to the next annual meeting of the Synod, and, if again approved in the same form by a two-thirds majority vote, the Canons shall then stand amended as proposed, after the completion of a 90-day waiting period after the amendment has been finally passed.

- Proposed change:
 - *The Canons of the Diocese, including its appendices, may be amended by a two-thirds majority vote of the Synod at any regular meeting or any Special Meeting called for that purpose. No amendment to these Canons, including its appendices, may be adopted until it has been first noticed to and reviewed by the Constitution and Canons Committee, and the Committee's recommendation given to the Synod at least 10 days prior to the Synod meeting at which it shall be considered. All proposed amendments to the Canons shall be submitted to the Committee no fewer than 120 days prior to the next Synod meeting. The Committee shall review and report its recommendation to the Synod regarding any proposed amendment no fewer than 60 days prior to the next Synod meeting. If approved by a two-thirds majority vote of the Synod, the amendment shall lie over to the next annual meeting of the Synod, and, if again approved in the same form by a two-thirds majority vote, the Canons shall then stand amended as proposed, after the completion of a 90-day waiting period after the amendment has been finally passed. If approved by a two-thirds majority vote of the Synod, the amendment shall be adopted. Typographical errors may be corrected by the Constitution and Canons Committee and reported to the Synod, provided such changes do not change the meaning or intent of the affected Canon.*

- Rationale:
 - The current language requires a 2/3 vote at Synod. Then a 1 year lay-over. Then another 2/3 vote at the following Synod. Then 90 days. Then it's canon law.
 - Upon a thorough investigation of the canons of other ACNA dioceses, we discovered that our canonical amendment process is the only of its kind. While it is customary to require a 1 year lay-over and a 2nd vote to amend the diocesan constitution, no other ACNA diocese requires this same process to amend their canons. It is clear that upon writing our Constitution and Canons in 2015-16, the language was copy/pasted from our Constitution to our Canons without consideration for the overly complex and lengthy process. Upon consultation, ACNA canon law experts agreed with our research and findings. What can we say? We're young and inexperienced, but we're learning. The above proposed language is consistent with the standard language in diocesan canons on amendments and will better serve our diocese as we refine the canons in future years.

- **CCC Recommendation: the committee recommends the 2019 Synod vote to pass the amendment as outlined above.**

Proposal #2 – Title I, Canon 3. Section 1 – Confirmation requirement for members of the Diocesan Council.

- Current language:
 - The Diocesan Council shall be composed of a minimum of ten members and maximum of fifteen members, consisting of the Bishop Ordinary, the Bishop Coadjutor, if there be one, and representative members of the laity and clergy from the Diocese. Each of these members shall have voice and vote on the Diocesan Council. The Suffragan and Assistant Bishops, if there be any, and the Diocesan Staff will be members *ex officio* of the Diocesan Council.
A two-to-one ratio of laity and clergy members of the Diocese, respectively, will be chosen by the Synod, ensuring a full and fair representation from an even geographic distribution of the entire Diocese, and will be presented for election to the Synod. The specific number of nominees presented to the Synod will accord with the number necessary to maintain a full number of Diocesan Council members serving staggered three-year terms.

- Proposed amendment:
 - The Diocesan Council shall be composed of a minimum of ten members and maximum of fifteen members, consisting of the Bishop Ordinary, the Bishop Coadjutor, if there be one, and representative members of the laity and clergy from the Diocese. Each of these members shall have voice and vote on the Diocesan Council. The Suffragan and Assistant Bishops, if there be any, and the Diocesan Staff will be members *ex officio* of the Diocesan Council.
A two-to-one ratio of laity and clergy members of the Diocese, respectively, will be chosen by the Synod, ensuring a full and fair representation from an even geographic distribution of the entire Diocese, and will be presented for election to the Synod. The specific number of nominees presented to the Synod will accord with the number necessary to maintain a full number of Diocesan Council members serving staggered three-year terms.

Only those Eligible Voters of the Synod who are over 21 years of age and have also been confirmed or received by a Bishop of the Province or another Province of the Anglican Communion shall be eligible to serve on the Diocesan Council. At the time that this canon is enacted by Synod, twenty-four months or more shall be allowed for all current Diocesan Council members to come into compliance with this provision.

For reasons vital to the mission and health of the Diocese, the Bishop may allow non-confirmed members of a Congregation or Mission to serve on the Diocesan Council.

Every person elected a member of the Diocesan Council shall attest, by signing a book kept for that purpose, the following declaration and promise:

“I do believe the Holy Scriptures of the Old and New Testament to be the Word of God and to contain all things necessary for salvation through our Lord Jesus Christ and I do yield my consent to the doctrine set forth in the Constitution of the Anglican Church in North America, and to the discipline and forms of worship of the same as practiced within the Diocese of Christ our Hope. I promise that I will faithfully execute the duties of the office of Vestry member of this Congregation to the best of my ability.”

- Rationale:
 - In Title I. Canon 6. Section 3.3.a (Eligibility to serve on vestry), we have previously approved an amendment that requires confirmation or reception to be eligible to serve on a vestry, with the Bishop being given permission to grant exceptions upon request. However, no such requirement exists for the Diocesan Council, which functions as the “vestry of the diocese.” This is a double standard that does not seem in keeping with the spirit of the requirement of confirmation or reception for serving on a vestry.
 - Similarly, there is currently no such oath required for diocesan council members.
- **CCC Recommendation: the committee recommends the 2019 Synod vote to pass the amendment as outlined above.**

Proposal #3 – Title I, Canon 4. Section 9 – Voting status of diocesan officers on various committees.

- Current language:
 - The Chancellor, the Secretary, and the Registrar will serve at the pleasure of the Bishop. The Treasurer will serve at the pleasure of the Diocesan Council. All Officers of the Diocese shall serve as voting members of the Synod and likewise as voting members of their respective committees. All Officers of the Diocese shall serve as ex officio members of the Diocesan Council.

- Proposed amendment:
 - The Chancellor, the Secretary, and the Registrar will serve at the pleasure of the Bishop. The Treasurer will serve at the pleasure of the Diocesan Council. All Officers of the Diocese shall serve as voting members of the Synod. ~~and likewise as voting members of their respective committees.~~ All Officers of the Diocese shall serve as ex officio members of the Diocesan Council.

- Rationale:
 - The highlighted sentence is inconsistent with other statements to the contrary elsewhere in our Canons (Canon 5. Section 1.1, Canon 5. Section 2.1, etc.) which already designate the specific voting privileges of Diocesan Officers on their respective committees.

- **CCC Recommendation: the committee recommends the 2019 Synod vote to pass the amendment as outlined above.**

Proposal #4 – Title I, Canon 3. Section 1.2 – term of office of Diocesan Council Vice-Chair

- Current language:
 - The Bishop shall serve as the Chair of the Diocesan Council. He shall establish the agenda of business for the meetings of the Diocesan Council.
In addition, a layperson shall be elected annually for a one-year term as the Vice-Chair from within the Diocesan Council, and may serve no more two consecutive terms as Vice-Chair.

- Proposed amendment:
 - The Bishop shall serve as the Chair of the Diocesan Council. He shall establish the agenda of business for the meetings of the Diocesan Council.
In addition, a layperson shall be elected annually for a one-year term as the Vice-Chair from within the Diocesan Council. ~~and may serve no more two consecutive terms as Vice-Chair.~~

- Rationale:
 - The limit of two consecutive terms for the Vice-Chair does not serve the Diocesan Council well. It takes about one year to get acclimated to the role of Vice-Chair. If they then have only one more year as Vice-Chair, their rhythm and productivity, and therefore that of the Diocesan Council, is interrupted right as they're hitting their stride. In addition, given that the canonical language requires an annual election of the Vice-Chair, it should be the prerogative of the Diocesan Council to elect that office annually as best suits the Diocesan Council.

- **CCC Recommendation: the committee recommends the 2019 Synod vote to pass the amendment as outlined above.**

Proposal #5 – New Canon: Diocesan Financial Reserve Requirement

Submitted by Elijah Lovejoy, Rector of Resurrection Church in Hope Mills, NC and seconded by Ben Sharpe, Rector of Christ Church in Winston Salem, NC, for consideration at the November 2019 Diocesan Synod.

- Proposed amendment:
 - Diocesan Financial Reserve Requirement

The Diocese of Christ Our Hope (the Diocese) shall maintain a minimum financial reserve of 3 (three) months of the total annual diocesan budget based on the average monthly expenses of the current year's total approved annual diocesan budget (the Reserve). (For example, if the 2030 diocesan budgeted expenses were \$2 million, then \$500,000 would be kept in reserve for the 2030 calendar year.) The Diocese may use the Reserve on an emergency basis, if approved by the Bishop Ordinary and a 2/3 (two thirds) majority of the diocesan council. The Reserve specified above shall not be used on an emergency basis for more than 3 (three) continuous months, but shall return to its required minimum specified above by the end of 3 (three) months. Each new use of the Reserve will require new approval by the Bishop Ordinary and diocesan council as specified above. The full Synod shall be informed at the annual meeting if the Reserve was used that year, the number of times it was used and the reason for each use.

- Rationale:
 - Over the past 4 years, Diocese of Christ Our Hope Council and Synod have approved budgets with surpluses or deficits of \$140,433 (2016), \$4205 (2017), -\$185,769 (2018) and -\$241,444 (2019). According to Treasurer Lee Hilts at the 2019 Synod, at the end of October 2018 the diocese had cash-on-hand of \$152,000, or approximately 1.5 (one and a half) months total cash reserves. In reviewing the overall diocesan financial trajectory the last 4 years, we are concerned the diocese is adopting an increasingly aggressive deficit spending posture with limited financial reserves to guard against unexpected financial outcomes.
 - In order to model best financial practices for our diocesan congregations and guard the financial health of our diocese, we submit this canonical amendment requiring the diocese to maintain a minimum 3 month cash balance, with emergency exceptions. We understand that currently Bishop Steve and the diocesan council are moving toward a 3 month minimum cash reserve policy, which is very encouraging.
 - We still believe this amendment is wise and necessary for two reasons: 1.) Policies only last as long as the personnel who have the will to implement them. We are not only interested in the current financial health of our diocese, but in its financial health in 10, 20 and 30 years from now. 2.) Unlike our congregations, which see Vestry members on a weekly basis and can easily ask questions about their local church's financial health or request a monthly treasurer's report,

members of Synod typically see their Diocesan Council members once a year, which makes regular Synodical financial oversight and accountability difficult. We recognize this amendment will take 2 years to implement, if approved by a 2/3 (two third) majority of Synod in 2019 and 2020. Therefore its terms would not go into effect until 90 days after the 2020 Synod, which gives the Diocesan Council until the 2021 diocesan budget to implement this financial reserve policy.

- **CCC Recommendation: While the CCC supports the creation of a diocesan financial reserve, the committee recommends that the 2019 Synod not pass this proposal, but instead that a diocesan policy for financial reserve be created, separate from the canons.**

- CCC Rationale:
 - There are many financial processes and principles which the diocese should follow. Some of these should be codified in canon law, while others should be formulated as operating policies.
 - Generally-accepted best practices in canon formation indicate that the canons should be no more complicated than is necessary to promote good governance of the diocese and should enable decision-making at the most appropriate level. These practices also recognize that overly-broad canons can create unintentional, negative consequences that can be difficult to resolve in a timely manner.
 - Including the proposed amendment in our canons creates the potential for unintentional canonical violations if for any reason the diocese is unable to create or maintain the reserve as described in the proposed language.
 - It is therefore the CCC's view that this would be better implemented as a financial policy for the diocese. We believe that this would satisfy the principle behind the recommendation, while recognizing that the diocesan staff, with oversight by the Diocesan Council, are best positioned to implement this leading practice while preserving flexibility in unforeseen future situations.
 - The CCC is assured by the Bishop and Diocesan Council that creating a healthy financial reserve is a priority and they are actively working toward that goal.