

## **2017 CANONICAL RESOLUTION C-1**

### **Submitted by the Executive Board and the Standing Committee of the Diocese**

RESOLVED that the 2017 Annual Council enact a new Canon XXXII, as follows:

#### **Canon XXXII of Parishes At Risk**

##### *SECTION 1. Parish at Risk*

A parish at risk is the exceptional case of a parish whose continued viability as a self-sustaining entity appears to be in jeopardy such that a degree of Diocesan intervention or oversight is needed as a means to restore health to the parish.

##### *SECTION 2. Conditions Leading to Designation of a Parish at Risk*

No parish may be declared at risk unless it is determined that one or more of the following conditions exists, following an inquiry as described below in Section 3:

1. The failure of a parish for two years or more to be financially self-supporting, so that it has reached insolvency or has invaded endowment principle by more than 5% without substantial justification. A decision about the long-term financial viability of the parish will be made by the Bishop and the Standing Committee in accordance with the policies and procedures of the Episcopal Church. Receiving funding from the Diocese shall not constitute a failure to be financially self-supporting, so long as the parish is self-supporting with such funding.
2. The failure for two years or more to elect a vestry or to search diligently for and elect a rector, priest-in-charge, or rector time certain or to accept the Bishop's appointment of a priest or, in the case of a recognized Area and Cooperative Ministry, to diligently implement a cooperative plan.
3. The persistent failure for two years or more a) to provide adequate clergy compensation; b) to provide such compensation from funds other than those provided by the Diocese for assistance; c) to make timely payments for premiums under the Church Pension Fund system; d) to make timely payments of the premiums for any other obligatory insurance for parish employees.
4. The refusal or willful failure for two years to arrange for representation of the parish at the Annual Council of the Diocese.
5. The failure or neglect for two years to make the following reports required by diocesan canons: Canon VII (Of Finances), Section 3 (Pledge to the Diocese); Section 4 (Audit); Canon XIV (Of Parishes), Section 1(j) (Parochial Reports).

6. The persistent failure or neglect to conform to the Constitution and Canons of The Episcopal Church and of the Diocese with respect to the following business methods: bonding of treasurers or other custodians of funds, proper record keeping, proper maintenance of books of account, an annual audit, and the maintenance of adequate insurance.
7. The purchase, use, or conveyance of parish property, or the incurring of debt, other than in conformity with the Constitution and Canons of The Episcopal Church and of the Diocese, except where such non-conformity was inadvertent and resulted in no substantial prejudice to the property or the temporal interests of the parish.
8. The failure to cooperate in an inquiry under this Canon or with any other canonical inquiry by the Ecclesiastical Authority or its designee, including the failure or refusal to provide full and accurate information on the state of the parish and its affairs.
9. The failure to make a good faith effort to implement any plan or arrangement agreed to by the parish under this Canon.
10. The use of the parish property in such a way that would jeopardize the parish's non-profit tax status.
11. In addition to the foregoing, the deliberate and manifest breach of any canonical obligation of the parish, if the following conditions are met:
  - (a) The Bishop, with the advice and consent of the Standing Committee, shall have transmitted to the parish a written warning summarizing the conduct or failure to act by the parish which constitutes a deliberate and manifest breach under this section. The warning shall indicate the reasons why such conduct or failure to act constitutes such a breach and shall explicitly direct the parish to cease and desist from the conduct which constitutes the breach or to conform to canonical obligations; act affirmatively as canonical obligations require; and
  - (b) Within 30 days following transmittal of the warning and direction, the parish shall have failed or refused to conform to the directive so provided, or shall have failed or refused to provide to the Bishop and the Standing Committee a written plan and agreement satisfactory to them to bring its conduct into prompt conformity with its canonical obligation.

*SECTION 3. Inquiry for Purposes of Restoration of Parish Health*

- A. An inquiry by the Ecclesiastical Authority leading to a declaration of a parish at risk under this Canon may be initiated by one of the following ways:

1. The Bishop, believing that one or more of the conditions in Section 2 of this Canon may exist, with the advice and consent of the Standing Committee, may initiate such inquiry;
  2. The Standing Committee, believing that one or more of the conditions in Section 2 of this Canon may exist, may petition the Bishop to initiate such inquiry; or if the Standing Committee is the Ecclesiastical Authority, it may initiate such inquiry by majority vote;
  3. The Rector, Priest-in-Charge, or Rector Time Certain serving, or both Wardens, or a majority of the Vestry, believing that one or more of the conditions in Section 2 of this Canon may exist, may petition the Ecclesiastical Authority to initiate such inquiry.
- B. Upon proper initiation as provided in A. above, the Ecclesiastical Authority shall itself, or acting through persons it may designate, conduct such inquiry into the condition of the parish. Such inquiry shall include conversations with persons in the parish, and may also include written or oral questions to the parish and examination of any parish books and records. The rector, priest-in-charge, or rector time certain and vestry of the parish which is the subject of such inquiry shall cooperate in any inquiry under the Canon, including providing full and accurate information on the state of the parish and its affairs. Failure to reasonably cooperate shall be sufficient to permit a declaration that the parish is at risk.
- C. Upon the determination by the Bishop and a majority of the Standing Committee that the parish is at risk, one or more of the following measures may be taken to attempt to restore the health of the parish, at the discretion of the Ecclesiastical Authority:
1. Provision for pastoral discussions to be held between the Bishop and/or the Bishop's representatives and the rector, priest-in-charge, or rector time certain and vestry of the parish to seek amelioration of the conditions that inhibit the health, mission, and ministry of the parish.
  2. Development of a plan for the parish to address the conditions which led to the declaration of a parish at risk, to be agreed to by the parish within 30 days and implemented thereafter in accordance with its terms.
  3. In the event that the activities set forth in paragraphs 1 and 2, above, are ineffective, the Ecclesiastical Authority may take any of following steps:
    - (a) Appointment by the Bishop, with the advice and consent of the Standing Committee, of three or more adult communicants in good standing to take charge of the property of the parish and to exercise the rights and functions of a Vestry, while these conditions are pending. Said persons may or may not be from the parish.
    - (b) Designation by the Bishop of a priest-in-charge during the pendency of these conditions; said Priest may or may not be the incumbent.

- (c) Conveyance of title of all real property to the Trustees of the Diocese, who shall hold the same in trust during the pendency of these conditions.
  - (d) Other measures as the Bishop shall determine with the advice and consent of the Standing Committee (or as the Standing Committee shall determine if it is the Ecclesiastical Authority) during the pendency of these conditions.
4. When any parish shall continue to fail to elect a Vestry, the Bishop, with the advice and consent of a majority of the Standing Committee as provided for in Canon XIII and Canon XV, may appoint three adult communicants in good standing to take charge of the property of the parish and to exercise the rights and functions of a Vestry, until the parish shall have elected a Vestry under the provisions of this Canon.

**RATIONALE: The Episcopal Church and the Diocese, through their Constitution and Canons, and various rubrics, place certain expectations upon parishes and the priests who lead them. This proposed canon provides accountability for meeting those expectations. In the past, the Diocese has encountered difficulty in dealing with parishes that, for any number of reasons, have reached a point of significant crisis. The Diocese was only able to deal with those parishes on an “ad hoc” basis, without the benefit of any standard protocols and guidelines. The proposed Canon creates the aforesaid accountability and establishes a more formal process to enable the Diocese to deal effectively, compassionately and pastorally with at-risk parishes. The proposed Canon is based almost entirely from parish-at-risk canons from many other Dioceses.**