



EXECUTIVE COUNCIL HANDBOOK

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On the last day of the General Convention, in Trinity Church, Wall Street, 160 years ago this year, the House of Bishops of the Episcopal Church responded to the request of a group of faithful Episcopalians in California and consecrated William Kip to be the first Bishop of California, at that time a missionary district of the Church.

In 160 years the Diocese of California has met, with the people of California, immense challenges, and has been consistently both a refuge of love and comfort for all, and a force for justice in the world.

When I became the eighth Bishop of California in 2006, we together embarked on a broad-based visioning process that made the Beloved Community Vision Statement. In order to help us bring our beautiful vision of the Beloved Community to fruition, we developed a basic and evolving set of church vitality practices.

The three basic practices are: collaboration between congregations, embeddedness in neighborhoods, and building our congregations' diversity to more nearly reflect the character of the communities in which the congregations are located.

Additionally, in the area of Church Vitality we have developed a dynamic approach to church growth, Invitational Church, helped our congregations with flexible, proven stewardship methods, and enriched the already-successful Equipping the Beloved Community events.

Over the last two years, the Executive Council has had an energetic exploration of best practices in governance for church boards that has resulted in a clarified sense of our mission and scope of work. Part of the mission statement that emerged from this work identifies the Executive Council as the main locus for long-term strategic planning for the diocese. I have been very heartened to experience our Executive Council as a great partner with the diocesan staff and me in our ongoing work of Building the Beloved Community, and look forward to a future as bright as that which the past 160 years have witnessed.

What follows this brief introduction is an Executive Council Handbook, the fruit of faithful work by the current Executive Council, and embodying the creative work of Executive Council since its formation in 2008. I trust you will find it useful in better serving our great diocese.

*The Rt. Rev. Marc Handley Andrus
August 2013*

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I. INTRODUCTION

1.1 Executive Council Statement of Identity

The Executive Council is the Board of Directors of the Diocese, and between Diocesan Conventions exercises all the necessary powers of the convention to implement the convention's actions. It is responsible for budget and finance, and is the forum for long range visioning, strategy, and planning for the health and growth of the Episcopal Community in the Diocese of California.

1.2 Membership of the Executive Council (Canon 8.01)

- The Bishop (President)
- The Bishop Coadjutor (if applicable)
- Five members appointed by the Bishop at will (term limited to three years)
- Six members elected by Convention (two each year, at least one lay, for three year terms)
- Twelve members elected by the Deaneries (two from each deanery, at least one lay, for three year terms)
- Two ex-officio members: the Secretary of Convention and the Treasurer of the Diocese
- Others with seat and voice (but no vote): a representative of the Standing Committee from among its members and the Chancellor of the Diocese

1.3 Scope of the Executive Council (Canon 8.02)

The Executive Council shares primary responsibility for planning and directing the temporal affairs of the Diocese with the Bishop and the Standing Committee as provided under the Constitution and Canons of the Diocese and of The Episcopal Church. The Executive Council shall have the following authority and responsibilities.

(a) Representative of Convention

The Executive Council shall exercise such powers of Convention between the meetings thereof as are necessary to develop and implement the policies, programs, and budgets approved and adopted by Convention.

(b) Authority

The Executive Council shall act for the Convention in the interim between its meetings as specified by the Constitution of this Diocese. It shall carry out the instructions of Convention and perform other such duties as may be delegated to it by the Canons. Its acts shall be binding upon the Diocese unless they be modified by the Convention.

(c) Additional Responsibilities and Authority

Without limiting the powers described in paragraphs (a) and (b), above, the Executive Council shall have the following additional responsibilities and authority:

- (i) To control and manage the investment of the funds of the Diocese;
- (ii) To exercise budget and management responsibility for the operating fund, including adopting such financial policies with respect thereto as may be recommended by the Treasurer and approved by the Finance Committee;
- (iii) After consultation with the Finance Committee and the Committee on Program and Budget, to make such adjustments in the current budget of the Diocese as may be prudent and consistent with the current programs and policies of the Annual Convention;
- (iv) To provide for an annual audit of the financial accounts of the Diocese, including all accounts of the Treasurer, from time to time to review the same, and to report its findings to each Annual Convention;
- (v) In consultation with the Finance Committee, and subject to the requirements of Canon 19, to borrow money in the name and on behalf of the Diocese, to grant such security as it may deem prudent and appropriate to secure the repayment of such borrowings, and to execute and deliver such promissory notes, bonds, and other indicia of debt as may be required of the Diocese in connection therewith;
- (vi) To administer such real or personal property and funds as may have been, or may be, granted or committed to the Bishop, the Corporation Sole or the Diocesan Corporation for the use of The Episcopal Church in this Diocese, any of its missions, any of its other related, constituent, or subordinate institutions, or any religious, benevolent or educational purposes connected with any of the foregoing;
- (vii) To approve the formation of all committees and other agencies as may be necessary for the work of the Executive Council, to define the scope of their work, and from time to time to require reports from them concerning their business and affairs or on any such other matters as the Executive Council may from time to time require;
- (viii) Except where Convention has acted, to approve the Bishop's appointments of the chair of the organizations referred to in (vii), above;
- (ix) To approve all appointments by the Bishop of any officers of organizations who receive a salary from Diocesan funds;
- (x) To make such regulations as it deems necessary for the taking of special collections for the several funds of the Diocese
- (xi) To determine the criteria generally applicable to Diocesan investments in equity sharing arrangements with Clergy and, with respect to each arrangement, the terms and conditions of the specific contractual arrangements between the Cleric and the Diocese, and the amount awarded, within the budget approved therefor by the Annual Convention; and
- (xii) To be responsible to Diocesan Convention for negotiating and contracting concerning the compensation, including benefits, of any person elected to the Episcopate and of any other officer or employee of the Diocese whose compensation and benefits must by law be specifically reviewed and approved by the board of directors of the Diocesan Corporation. The Executive Council shall appoint a committee to advise it in the discharge of these duties, which shall consist of at least one member of the Standing Committee and such other persons as the Executive Council may appoint, except that

the following persons shall be ineligible to serve on this committee: any person elected to the Episcopate; any person appointed to the Executive Council by the Bishop; and any other person whose compensation and benefits are subject to review and approval by the Executive Council. The Executive Council shall appoint the chair of this committee.

(d) Regular and Executive Sessions; Minutes

The Executive Council may in its discretion meet in executive session for discussion of particular subjects, but shall take all decisions in regular session. It shall cause minutes of its proceedings to be prepared reflecting all decisions taken and, where deemed relevant and appropriate by the Executive Council, the related discussions. After they have been approved, the minutes shall be recorded in written form, and shall be open to inspection at any reasonable time by the Bishop, any member of the Executive Council or the Standing Committee, and any member of the Convention for a purpose reasonably related to such person's interest as a member of the Convention.

(e) Annual Report

The Executive Council shall make a report to each Annual Convention concerning its work.

1.4 Schedule of Annual Business

Much of the work of the Executive Council is unpredictable, as it responds to legal, financial, personnel or other situations that arise. Other tasks are more predictable, according to this approximate schedule (n.b. it is often desirable to begin or even complete some of these ahead of schedule):

January

Hold retreat and make committee appointments
Confirm meeting dates and venue(s) for the year
Confirm retreat date and venue for following year
Set schedule of prayer leaders and snack providers for meetings

February

Confirm members of Program and Budget Committee

June

Receive report of any assessment appeals
Approve any canon changes or resolutions to be presented to Convention
Approve budget to be presented to Convention

July

Approve audit report

August

Consider recommendations of the Committee on Assessment Appeals.

September

Establish nominating committee for Executive Council officers
Finalize Executive Council report to Convention

November

Elect chair, vice chair, and secretary for Executive Council
Invite newly-elected members from Convention and deaneries to attend

December

Traditionally a joint meeting with Standing Committee
Approve housing resolutions for clergy employees for following year

II. GOVERNANCE

2.1 Summary of Legal Responsibilities of Board Members

(a) Duty of Care

Executive Council members must act in good faith, act in the best interests of the corporation, and make reasonable inquiry when appropriate. This implies: attending meetings regularly; avoiding haste in making decisions; preparing for meetings; and consulting experts where necessary.

(b) Duty of Loyalty

This includes: disclosing conflicts of interest, whether direct or indirect; disclosing any potential corporate opportunity (e.g. in a contract); and practicing confidentiality concerning the corporation's business activities.

(c) Sarbanes-Oxley Act

Of particular concern to Executive Council, this act directs that employee complaints must be taken seriously and investigated and documents must not be destroyed.

2.2 Relationship with the Diocesan Convention

The Executive Council is sometimes referred to as “the Convention between conventions.” Because the Convention meets only once per year, it is necessary for the Executive Council to handle the day-to-day affairs of the Diocese. It may “act for the Convention in the interim between its meetings as specified by the Constitution of this Diocese” (Canon 8.02(b)); but it remains subordinate to the Convention and may “exercise such powers of Convention between the meetings thereof as are necessary to develop and implement the policies, programs, and budgets approved and adopted by Convention” (Canon 8.02(a)).

The Executive Council has an especially intimate relation to Convention with regard to the budget. Executive Council appoints and organizes the Program and Budget Committee (which is actually a committee of the Convention), it receives a draft budget from Program and Budget, it proposes the budget to the Convention, and it implements the budget once the Convention has adopted it. Between conventions, Executive Council has the authority “to make such adjustments in the current budget of the Diocese as may be prudent and consistent with the current programs and policies of the Annual Convention” (Canon 8.02(c)).

The Executive Council must provide for an annual audit and “report its findings to each Annual Convention” (Canon 8.02(c)).

2.3 Relationship with the Bishop

The Bishop is automatically president of Executive Council and has the same rights and obligations as other members. As a member, the Bishop expects to attend every meeting whenever possible and participate actively. As president, the Bishop is first among the leaders of Executive Council, but does not preside at meetings. The Executive Council elects a chair and vice-chair to handle the duties of presiding and to free the Bishop to

engage fully in discussion as Bishop and Executive Council take counsel together. If matters come to a vote, the Bishop has one vote, unless the canons require the Bishop's consent. The Bishop's consent is required to fill vacancies among Executive Council members elected by the Convention (Canon 8.01(c)) and to transfer, lease, or encumber real property of a mission (Canon 19.01(c)).

The Bishop, as Corporation Sole, holds title to certain diocesan properties, but the Executive Council has the responsibility to administer the property. The Executive Council has the responsibility to "approve all appointments by the Bishop of any officers of organizations who receive a salary from Diocesan funds" (Canon 8.02(c)). The Executive Council may adopt high-level policies for the guidance of diocesan staff, but the Bishop, as Chief Executive Officer of the Diocesan Corporation, hires and manages the staff and determines their duties and responsibilities.

The Executive Council may approve "the formation of all committees and other agencies as may be necessary for the work of the Executive Council" (Canon 8.02(c)), but the Bishop appoints their chairs (with the Council's approval). In certain cases, such as the Executive Compensation Advisory Committee, the Executive Council may appoint the chair.

2.4 Relationship with the Standing Committee

The Executive Council, as the Board of Directors, has overall responsibility for the business affairs of the diocese, whereas the Standing Committee has certain ecclesiastical responsibilities defined by the canons. There are only a few areas where the functions of the two groups overlap:

- (a) The Executive Council and Bishop are responsible for missions (acting through the Congregational Development Committee), but the Standing Committee must consent to the formation of a special mission, the formation of a new mission, the conversion of a parish to a mission, or the establishment of a new parish.
- (b) The Executive Council has responsibility for diocesan real property, but in some cases the Standing Committee must consent to the sale, encumbrance, or transfer of property.
- (c) The Standing Committee has no financial authority and must have the approval of Executive Council if it needs to spend money.
- (d) In the event of an election of a Bishop, the Standing Committee manages the election, but the budget for the election needs to be approved by the Executive Council.
- (e) The Executive Council and Standing Committee each appoint an equal number of members of the Committee on Governance.
- (f) The Executive and Standing Committee must both confirm the appointment of archdeacons unless they are confirmed by Convention.
- (g) One member of the Executive Compensation Advisory Committee must be a member of the Standing Committee.

To do their work effectively, the Executive Council and Standing Committee should hold a common vision for the mission of the diocese. To that end, they should be in close communication with each other. The canons provide for a Standing Committee liaison who meets with the Executive Council. The officers of the two groups have also found it useful to meet together from time to time.

2.5 Relationship with Diocesan Institutions

“Diocesan institution” is a term used in the Canon 17 to describe various bodies related to the mission of the diocese other than the corporation sole, cathedral, parishes, missions, and specialized. Generally speaking, they fall into three types:

- (a) Full diocesan entities, although separately incorporated (e.g. Bishop’s Ranch)
- (b) Separately incorporated and not controlled by the diocese, but historically connected to the diocese and having a board comprised of a majority of Episcopalians, and with the bishop or the bishop’s designate as a member (e.g. Ohloff Recovery Programs)
- (c) “Chartered Organizations” (Canon 17.10), which are not separately incorporated (e.g. An Episcopal Ministry to Convalescent Hospitals)

A list of such institutions is reported to Convention each year. The current list reads:

- An Episcopal Ministry to Convalescent Hospitals [Chartered Organization]
- Bay Area Seafarer’s Service
- The Bishop’s Ranch
- Canterbury Foundations
- Clausen House
- Episcopal Impact Fund (formerly Episcopal Charities)
- Episcopal Community Services of San Francisco
- Episcopal Senior Communities (formerly Episcopal Homes Foundation)
- Good Samaritan Family Resource Center
- OASIS/California [Chartered Organization]
- Ohlloff Recovery Programs
- Saint Dorothy’s Rest
- Senior Resources of the West (formerly JTM Communities and John Tennant Memorial Homes, Inc.)
- SOJOURN—San Francisco General Hospital Chaplaincy [Chartered Organization]
- The Episcopal School for Deacons

2.6 List of Committees and Committee Appointments

Note that, unless otherwise specified by canon, the Bishop appoints, and Executive Council approves, chairs of “all committees and other agencies as may be necessary for the work of the Executive Council” (Canon 8.02(c)).

	Authority	Composition
Committee on Nominations	Canon 6.09	<ul style="list-style-type: none"> • 1 cleric and 1 lay person appointed by each Deanery • EC and SC each appoint 1 non-voting member • The Committee elects its own chair
Finance Committee	Canon 8.04	<ul style="list-style-type: none"> • Chair and up to 4 members appointed by the Bishop with “advice and consent of EC” • 2 members appointed by EC • (non-voting and ex officio) Treasurer, Controller, and Chancellor. • Members serve 3 year terms and may be reappointed once.
Committee on Program and Budget	Canon 8.05	<ul style="list-style-type: none"> • 1 member of EC from each Deanery, appointed by the chair of EC • 3 members of the Finance Committee, appointed by vote of that Committee • The chair “nominated by the Bishop and confirmed by EC” • All members are to be confirmed annually no later than March 1
Congregational Development Committee	Canon 8.06	<ul style="list-style-type: none"> • [“Organized and supervised by EC”] • The Bishop or a designee • 1 cleric and 1 lay person appointed by each Deanery • Up to 7 other persons appointed by the Bishop • The Bishop appoints the chair.
Investment Committee	Canon 8.07	<ul style="list-style-type: none"> • Discretion of EC (1 member must be an EC member) • The Bishop appoints the chair (confirmed by EC)
Executive Compensation Advisory Committee	Canon 8.02(c)(xii)	<ul style="list-style-type: none"> • 1 member of SC • Discretion of EC • May not include bishops, bishop’s appointees to EC, anyone whose compensation is approved by EC (i.e. CFO)

Committee on Governance	Canon 16.01(f)	<ul style="list-style-type: none"> • 3 members appointed by SC with staggered 3 year terms • 3 members appointed by EC with staggered 3 year terms • “Organized and supervised” by the SC
Committee on [Assessment] Appeals	Canon 18.04	<ul style="list-style-type: none"> • Chair appointed by the Bishop and confirmed by EC; • 1 person appointed by the President [sic] of EC • 1 person appointed by the Finance Committee • 6 persons (at least 3 lay) appointed by the Bishop and confirmed by EC, including at least 2 from congregations with below average income and at least 2 from congregations with above average income [see canon for definitions]
Audit Committee	Bylaws	At least three members, at least one of whom shall be a member of Executive Council. The Bishop appoints the chair (confirmed by EC)
Bylaws Committee	[None]	Historically, a committee of Executive Council has recommended changes to the bylaws as necessary.
Officer Nominating Committee	[None]	Historically, a committee of Executive Council has presented a slate of candidates for the offices of Chair, Vice Chair, and Secretary.

2.7 Best Practices for Meetings

(a) **Holy Spirit**

Our practices are grounded in the belief that the Holy Spirit works through groups of people where many voices are heard and listened to. We are not so much concerned with efficient decision-making or determining who is in the majority as we are with collective discernment of the will of the Spirit.

(b) **Prayer**

Our meetings are guided by prayer and holy scripture. We begin and end every meeting with prayer. It is appropriate to reference scripture as a basis for our actions. It is also appropriate to call for prayer and quiet reflection in the middle of a meeting when we are wrestling with important decisions.

(c) **Good Will**

We assume that every member is making a good faith effort to discern and articulate the will of the Spirit. We avoid making disparaging comments about opinions expressed by another member.

(d) **Small Group Discussion**

We believe that opinions and beliefs are clarified not only by listening carefully to others but by giving voice to our own thoughts—by speaking our own truths. Because of the size of Executive Council, it is often not practical for everyone to speak to an issue in plenary session. It is therefore sometimes useful to break into smaller groups so that each person can have an opportunity to speak within the time available. (This is a practice of the House of Bishops.)

(e) **Respecting Time**

We respect each other's time by beginning and ending meetings on time. We prepare a timed agenda for meetings and attempt to stay within the times allocated. (But see notes under "consensus" below.)

(f) **Committee Work**

Development of detailed proposals is best done by small committees outside the regular meetings of the Executive Council, especially when research is required. All members should be prepared to volunteer from time to time for such special committee work.

(g) **Reporting**

The preferred method for reporting to Executive Council by staff and committees is to circulate written reports to members several days in advance of a meeting. The initial delivery of a written report should not be at the meeting unless it contains confidential information. We assume that members will have read the written reports. Oral presentations should avoid rehashing the written report and should be limited to answering questions and providing clarifications.

(h) **Consensus**

We value consensus. When we are divided on an important question, it is an indication that more discernment may be needed. We take time to fully develop important proposals and to

work toward consensus. This may require allowing discussion to extend beyond the time set in the agenda or postponing a decision until the next meeting. In the absence of consensus, we proceed to a vote only when external deadlines require immediate action, or the matter is not important enough to devote time and energy to building consensus.

(i) Rules of Order

Meetings are conducted in an appropriately informal manner. Although our bylaws adopt *Robert's Rules of Order, Newly Revised* as our parliamentary authority, that is intended only to provide a generally-recognized reference to answer questions of procedure, if the need arises. Although we are not a small board, the chair normally conducts meetings according to the rules for small boards, specifically:

- Members are not required to obtain the floor before making motions or speaking.
- Motions need not be seconded;
- There is no limit to the number of times a member can speak to a question;
- Motions to limit or close debate should not be entertained, except as necessary to adhere to the agenda;
- Informal discussion of a subject is permitted while no motion is pending;
- When a proposal is perfectly clear to all present, a vote can be taken without a motion; and
- The chair can speak in discussions without leaving the chair and can make motions and vote on all questions.

2.8 Best Practices for Reports from Institutions, Committees, and Commissions

- (a) For Diocesan Institutions, a written report for distribution in advance of the Executive Council meeting including:
- Name and location of the entity
 - The number of Episcopalians on the board (to comply with diocesan requirements)
 - Brief purpose/mission
 - Brief outline of current and future goals
 - Assessment of ability to achieve these goals
 - Summary of sources of funding
 - Details of any assistance Executive Council could provide
- (b) For Committees and Commissions, a written report for distribution in advance of the Executive Council meeting including:
- Name and brief purpose/mission
 - Number and demographics of members
 - Recruitment strategies
 - Brief outline of current and future goals
 - Assessment of ability to achieve these goals
 - Accounting for the use of any diocesan funds
 - Availability of outside resources to help support goals and mission
 - Adequacy of diocesan and other funds to support programs and events
 - Details of any assistance Executive Council could provide

III. FINANCE

3.1 Financial Overview

The finances of the Diocese are under the supervision of the Bishop and the Executive Council. There are five primary committees of the Executive Council which are charged with the responsibility for various aspects of the financial affairs of the Diocese:

- Finance Committee
- Program and Budget Committee
- Audit Committee
- Investment Committee
- Assessment Appeals Committee

The following information summarizes the responsibilities of each of these committees, the membership of these committees, and each committee's frequency of meetings.

3.2 Finance Committee

The Finance Committee of Executive Council is charged with the responsibility for the overall financial affairs of the Diocese. Membership of the Finance Committee is composed of:

- Chair and up to four members appointed by the Bishop with "advice and consent of Executive Council"
- Two members appointed by Executive Council
- (non-voting and ex officio) Treasurer, Controller, and Chancellor

In practice, the Bishop normally appoints the Treasurer to serve as the chair of the Finance Committee. The membership of the Finance Committee has normally included the chair of the Executive Council, as well as at least one or two other members of Executive Council.

The Finance Committee meets once a month by teleconference. Its meetings normally last up to one hour. Each month the Committee reviews the monthly income statement of the Diocese Operating Fund, the status of receivables from parishes and Diocesan institutions, the status of outstanding Diocese loans under the letter of credit with Union Bank, and any other financial issues brought to the attention of the Committee. The Committee is also responsible for the review and approval of all loan requests submitted to the Diocese for loans under the Diocesan line of credit with Union Bank.

The Treasurer presents a monthly report on the activities of the Finance Committee at each Executive Council meeting.

3.3 Committee on Program and Budget

A proposed budget for the upcoming year is presented to Convention for approval in October each year. The Program and Budget Committee is responsible for the drafting of a final proposed budget to be presented to Executive Council and ultimately to Convention for approval.

Membership of the Program and Budget Committee is composed of:

- One member of EC from each Deanery, appointed by the chair of Executive Council
- Three members of the Finance Committee, appointed by vote of that Committee
- The chair “nominated by the Bishop and confirmed by Executive Council” (The Treasurer of the Diocese customarily serves in this position)

The annual process to produce a budget proposal for Convention includes the following steps:

- (a) The Bishop and Diocesan staff submit a proposed budget for the coming year
- (b) The Program and Budget Committee reviews and amends the budget as deemed necessary
- (c) The Committee submits its proposed budget to the Finance Committee for its approval
- (d) The Committee presents the proposed budget to Executive Council for its approval
- (e) Committee members assist in the presentation of the proposed budget at Deanery meetings
- (f) A final budget is presented to Convention

Members of the Program and Budget Committee are expected to devote sufficient time to the activities of the Committee in order to understand the details of the proposed budget, carefully review and evaluate all requests for funding from the Diocesan Operating Fund, consult with the Bishop and others receiving or requesting funding, and arrive at a final proposed budget for the coming year. The Committee will normally need to meet at least two or three times (or more) after receiving an initial draft of the budget from the Bishop. The Committee must schedule its activities in order to allow sufficient time for a final proposed budget to be presented to the deaneries in late summer or early fall (in advance of Convention).

3.4 Audit Committee

The audit committee is responsible for the following items in connection with an annual audit of the financial records of the Diocese:

- Engaging the independent accounting firm and approving annual fees;
- Reviewing and approving the scope of work for the annual audit;
- Reviewing and approving the annual audit report;
- Reviewing the auditor’s annual management report of recommendations to management, and reviewing the responses and any corrective actions proposed by the diocesan finance staff; and
- Initiating any supplemental audits or other actions necessary to ensure the integrity of the financial records of the Diocese, and implementing appropriate internal financial controls.

Membership of the Audit Committee is composed of at least three members, at least one of whom shall be a member of Executive Council. The chair of the Committee is appointed by the Bishop and approved by Council. The members of the committee shall be knowledgeable in basic finance and accounting practices, and at least one member of the committee shall have accounting or related financial management expertise. The Audit Committee shall review the finances of the Diocese, including its investments, select and review the performance of the outside independent auditor of the Diocese, review and approve the annual audit, and undertake such other tasks as are necessary to insure the integrity of the books and records of this

corporation. The chair of the Audit Committee shall not be a member of the Finance Committee, and members of the Finance Committee cannot comprise a majority of the members of the Audit Committee.

The Audit Committee normally meets at a minimum of twice per year: early in the calendar year to approve the engagement and fee proposal of the accounting firm, and the timing of the audit, and shortly after the completion of the audit to review the findings of the accounting firm (including an executive session with the accounting firm personnel without any diocesan staff present).

3.5 Investment Committee

The Investment Committee is responsible for the oversight of the Diocese Endowment Fund, including the choice of investment portfolio managers, the review of the endowment's annual distribution rate, and the appropriate asset allocation guidelines for the invested endowment funds. The Committee is also responsible for the policies and choice of investment managers relating to the investment of other Diocese funds held outside the Endowment Fund (including the Diocese Deferred Gift Fund).

The members of the Investment Committee are appointed by Executive Council. The chair of the Committee is appointed by the Bishop and approved by Council. The Treasurer and the CFO of the Diocese serve as members of the Committee. Other members should be individuals with demonstrated expertise in investment management and/or investment administration.

The Investment Committee normally meets quarterly during the year, and reports to the Executive Council on an as-needed basis.

3.6 Assessment Appeals Committee

The Assessment Appeals Committee is responsible for reviewing and making recommendations to Executive Council with respect to written appeals received from any church for the reduction in the amount of the current year's Diocesan assessment.

Membership of the Assessment Appeals Committee is composed of:

- Chair appointed by the Bishop and confirmed by Executive Council
- One person appointed by the President [sic] of Executive Council
- One person appointed by the Finance Committee
- Six persons (at least three lay) appointed by the Bishop and confirmed by Executive Council; [at least] two shall be members of parishes or missions whose total operating income for the prior year was less than the average total operating income of all parishes on which the assessment is based; [at least] two shall be members of parishes or missions whose total operating income for the prior year was equal to or greater than the average total operating income of all parishes; and at least three of the six shall be lay persons.

The Assessment Appeals Committee is expected to meet with representatives of each congregation requesting relief, and conclude on the financial viability of each such congregation in order to make a careful recommendation as to whether the Executive Council should grant some part or all of the relief requested. The Committee will normally hold its meetings in the second and third quarter of the calendar year, but should complete its recommendations to Executive Council no later than October or November.

IV. LONG RANGE PLANNING

4.1 Long Range Planning Objectives

Part of Executive Council's role is to manage the Diocese's long-range strategy and planning to achieve the Bishop's vision and meet its corporate and business objectives. Executive Council will recommend strategic direction for the Diocese based on the Bishop's vision, and influence the composition of the diocesan corporation business portfolio and the allocation of funds within the budget to support that direction. To further these objectives, Executive Council may:

- Formulate strategies and policies to support long range planning objectives;
- Develop ways for congregations and diocesan organizations to work together toward these objectives; and
- Encourage congregations to participate in these strategies.

4.2 Elements of the Long Range Planning Process

As part of its meetings and other work, Executive Council will seek to:

- Engage, discuss, and understand the Bishop's vision;
- Set long term strategic direction and feasible business plans for the vitality of the Diocese;
- Source and develop studies, best practices, and data from congregations to support strategy and planning discussions;
- Provide insight and understanding of future uncertainties and risks;
- Influence the allocation of funds and financial assistance to support long range objectives and manage budget accordingly;
- Periodically review long range objectives, the diocesan corporation business portfolio, and operating expenses; and
- Work to further congregational participation in the strategic direction of the Diocese.