

Diocese of New Jersey
Report of the Standing Committee on Constitution and Canons 2020

Introduction

The Committee reviewed requests received from members of the diocese for possible changes in the constitution and canons of the diocese. As provided in Canon 75, Section 1, proposals for amendments must be sent to the Committee by December 1 of the prior year for consideration and report. The following proposals were received prior to such deadline.

Part I

Canon 16, Section 5

Increase in Size of Board of Consultation

Section 5 of Diocesan Canon 16 (Marks of Mission Giving Pledge) provides for the establishment of a Board of Consultation to authorize adjustments to Congregations' Marks of Mission Giving amounts that become mandatory beginning January 1, 2020. In light of the volume of applications for adjustments, the Marks of Mission Giving Task Force has asked that membership in this body be increased from nine to twelve members. The Standing Committee on Constitution and Canons has reviewed this proposal and found it to be reasonable.

Accordingly, the Committee proposes the following implementing resolution:

Implementing Resolution I: *Resolved*, That Section 5(a) of Canon 16 of the Canons of the Diocese of New Jersey be amended as follows (deletions shown by strikethrough, insertions by double-underline):

SECTION 5. (a) There shall be a Board of Consultation, which shall consist of ~~nine~~ twelve lay and clergy persons appointed by the Bishop Diocesan in consultation with the Standing Committee, the Deans of the Convocations, and the Diocesan Council. Members shall serve staggered three-year terms and shall be eligible for reappointment. The Bishop shall appoint a chair and shall fill any vacancy for the duration of the vacant term.

The Standing Committee on Constitution and Canons recommends the adoption of this implementing resolution.

Part II

Canon 16, Section 3

Marks of Mission Giving Askings

Section 3 of Diocesan Canon 16 sets forth the calculation of the Marks of Mission Giving Asking for each Congregation based upon its Income Base (as previously defined in Section 2 of that Canon). In light of the transition from a voluntary to mandatory pledge, the Marks of Mission Giving Task Force has requested a revision downward of the percentage table of Section 3 together with new caps on Askings and a new potential Outreach Credit that could further reduce future Askings, even prior to any adjustment by the Board of Consultation.

The current system calculates each Congregation's Asking based on a percentage of its Income Base as defined in the canons. The rate increases from 10% where the Income Base is up to \$150,000, in six steps up to 16% where the Income Base is \$250,000 or more. The proposed calculation keeps the same 10% up to \$150,000 but lowers the effective rate of the Asking (through the use of a graduated rate table) between \$150,000 and \$350,000, beyond which it is capped at 16%. Congregations whose Income Base is under \$150,000 or over \$350,000 will see no change, but others in between will see their Asking decreased.

Further, if the receipts from all Congregations in the Diocese for any year exceed 88% of the total Askings (prior to any adjustments by the Board of Consultation), then the 16% cap is reduced to 15% for the subsequent year.

Finally, the Diocesan Council and Finance and Budget Committee are authorized to designate an "Outreach Credit" of from \$500 to \$2,000 per congregation to reduce the following year's Askings. This would be built into the

Preliminary Diocesan Budget proposed for that following year, which would have to be approved by a vote of the Convention.

The Standing Committee on Constitution and Canons has reviewed this proposal and found it to be reasonable.

Accordingly, the Committee proposes the following implementing resolution:

Implementing Resolution II: *Resolved*, That Section 3 of Canon 16 of the Canons of the Diocese of New Jersey be amended as follows (deletions shown by strikethrough, insertions by double-underline):

SECTION 3. By October 1 of each year, the Chief Financial Officer of the Diocese shall mail to Identified Representatives a report on the Income Base and Marks of Mission Giving Askings of all Diocesan Congregations for the ensuing year, and will include in that mailing a pledge commitment form to be used by each Diocesan Congregation in submitting its Marks of Mission Giving Pledge for the following year.

(a) For each Congregation, the amount of the Asking will be:

~~10% of the first \$150,000 of its Income Base, where the Income Base is \$149,999 or less; plus 11% of its Income Base, where the Income Base is more than 149,999 but less than \$175,000; 12% of its Income Base, where the Income Base is \$175,000 or more but less than \$190,000; 13% of its Income Base, where the Income Base is \$190,000 or more but less than \$210,000; 14% of its Income Base, where the Income Base is \$210,000 or more but less than \$230,000; 15% of its Income Base, where the Income Base is \$230,000 or more but less than \$250,000; and~~

16% of its Income Base between \$150,001 and \$200,000, if such, where the Income Base is \$250,000 or more exceeds \$150,000; plus

22% of its Income Base in excess of \$200,000, if such Income Base exceeds \$200,000; subject to the provisions of the following subsections of this Section 3.

(b) In no case will a Congregation's Marks of Mission Giving Asking exceed a total of 16% of its Income Base.

(c) In any year where the preceding year's Marks of Mission Giving payments from all Congregations combined exceed eighty-eight percent of that year's total Askings (prior to any reductions subsequently approved by the Board of Consultation) for all Congregations combined, then for the following year the 16% maximum amount in subsection (b) of this Section 3 shall be reduced to a 15% maximum amount of a Congregation's Income Base.

(d) For each year, Diocesan Council and the Finance and Budget Committee will recommend to the delegates at the annual convention an amount not less than \$500 and not more than \$2,000 as an "Outreach Credit" to be treated as a reduction of the subsequent year's Marks of Mission Giving Asking to each Congregation and to be included in the Preliminary Diocesan Budget for the subsequent year pursuant to Canon 14, Section 3. Such recommendation shall be based on any and all factors, financial and otherwise, that Diocesan Council and the Finance and Budget Committee shall deem appropriate to advance the mission and ministry of the Diocese and its Congregations.

The Standing Committee on Constitution and Canons recommends the adoption of this implementing resolution.

Part III
Canon 21, Section 1
Venture In Mission Loan Fund

Section 1 of Diocesan Canon 21 governs the Venture In Mission Loan Fund and provides in pertinent part:

SECTION 1. The officers and members of the Diocesan Council shall be the officers and trustees of The Venture in Mission Loan Fund of the Diocese of New Jersey, a New Jersey Corporation perpetually governed by the Convention of the Church in the Diocese of New Jersey.

The trustees shall hold, manage, invest, reinvest, and otherwise administer funds received through Venture in Mission and such other funds as may from time to time be designated, donated, bequeathed or turned over to its control. The trustees shall provide loans to Parishes, Missions, chapels, or other entities in union with or part of the Diocese of New Jersey and for such other purposes as may be specifically approved by the Diocesan Convention.

The members of the Diocesan Council also serve as trustees of the Capital and Revolving Loan Fund, which currently has the power to make grants to Congregations as well as loans, specified to be without interest. (Canon 21, Section 2). Both of these funds are invested in the Diocesan Investment Trust ("DIT").

Paul Wolfgang has on behalf of the trustees proposed to permit the Venture In Mission Loan Fund to make grants as well as loans. As he explained, "The available funds in the Capital and Revolving fund are being depleted by these grants. Also, since loans from the Capital and Revolving fund are interest free, the only source of income to this fund is from the DIT. The Venture in Mission Loan fund has a large balance currently in the DIT as well as interest earning loans to parishes."

The Certificate of Incorporation for the Venture In Mission Loan Fund of the Diocese of New Jersey provides (Article Second) that

The purpose of the corporation is to hold, manage, invest, reinvest, and otherwise administer funds it shall receive through Venture in Mission, and such other funds as may hereafter be designated, donated, bequeathed, or turned over to its control, to provide loans to parishes, missions, chapels, or other entities in union with or part of the Diocese of New Jersey, *and for such other purposes as may be specifically approved by the Diocesan Convention.*

(Emphasis added.) Thus, this Convention has the authority to add grants to the facilities resulting from the early-1980s Venture in Mission campaign.

Accordingly, the Committee proposes the following implementing resolution:

Implementing Resolution III: *Resolved*, That the second unnumbered paragraph of Section 1 of Canon 21 of the Canons of the Diocese of New Jersey be amended as follows (insertions shown by double-underline):

The trustees shall hold, manage, invest, reinvest, and otherwise administer funds received through Venture in Mission and such other funds as may from time to time be designated, donated, bequeathed, or turned over to its control. The trustees shall provide loans and grants to Parishes, Missions, chapels, or other entities in union with or part of the Diocese of New Jersey and for such other purposes as may be specifically approved by the Diocesan Convention. No grant shall be made for a sum larger than \$25,000 without the approval of the Convention.

The Standing Committee on Constitution and Canons recommends the adoption of this implementing resolution.

Part IV
Canon 30 — Convocations
and
Canon 27, Section 1 — Members of Board of Missions

Canon 30 governs the eight Convocations — regional associations of Congregations headed by eight Deans — of the Diocese. Persons elected by Convocations form the majority of the membership of the Board of Missions.

Over the past year, the Deans have reviewed the provisions of Canon 30 and have proposed amendments to reflect current practice and to facilitate the purposes of the Convocation system.

Section 1 of Canon 30 refers to these entities as "Districts" rather than "Convocations". Since the Bishop Diocesan directs the number and territories of the Convocations, detailed restrictions for forming new ones can be eliminated. The purposes of the Convocations set forth in Section 2 are fine-tuned. Section 3 is amended to provide that Parishes and Missions may elect up to six delegates to represent them in their Convocations, and the provision for delegate election by Parochial Chapels is deleted to conform to current Canon 59, Section 3. While annual meetings of Convocations are continued to be held in October or November, the requirement in Section 4 of a Spring Meeting is now eliminated, in order to allow more flexibility in planning. The terms of office for Deans in Section 5 is modified to allow for two full three-year terms, even following service for a partial term. Section 6 now allows Deans to be nominated from the floor of the electing meeting as well as by a Nominating Committee, but in either event such nominations are subject to the approval of the Bishop Diocesan. Executive Committees for Convocations are made optional in Section 7. Dues in Section 8 are allowed to be up to \$25 per Congregation annually, to cover expenses. Meetings of the Deans can be chaired by the Bishop or a designee, and are no longer labeled in Section 10 as a "Convocation Committee". Section 11 is modified to allow the Bishop to fill a vacancy of the Dean by appointment as well as to call an election for the purpose.

Finally, since the requirement of a Spring Convocation meeting is eliminated, the reference in Canon 27 Section 1 to the election of Board of Mission members is changed to take place at the annual Convocation meeting instead. The parenthetical unnumbered paragraph in Section 1 of that Canon can be eliminated as a transitional provision no longer relevant.

The Standing Committee on Constitution and Canons has reviewed these proposals and found them to be reasonable.

Accordingly, the Committee proposes the following implementing resolution:

Implementing Resolution IV: *Resolved*, That Canon 30 of the Canons of the Diocese of New Jersey be amended as follows (deletions shown by strikethrough, insertions by double-underline):

CANON 30
Convocations

SECTION 1. For the purpose of this Canon, the Diocese shall be divided, as the Bishop shall direct, into not less than four ~~Districts~~ Convocations, which shall be geographically contiguous. ~~In each such District (whenever three-fifths of the clergy canonically resident in the Diocese, and in pastoral charge of a Parish or Mission Station in the said District, shall so desire, and signify the same to the Bishop), a Convocational Organization shall be established.~~

SECTION 2. The purpose of the organization of a Convocation shall be for mutual assistance, ~~for~~ conference, education, and ~~for consideration of and~~ cooperative action ~~upon matters in the Diocese~~ by the Parishes and Missions of the Convocations. Programmed activities shall be subject to the approval of the Bishop and may include all phases of Missionary activity and interest within the Convocation, youth training, education, teachers and leaders training, surveys, and recommendations for vestry coordination, and such other matters as may be recommended by the Bishop.

SECTION 3. Convocations shall be composed of all the Parishes and Missions within their respective boundaries, together with the clergy exercising their ministry therein, and the lay communicants of the said churches and Missions. Every communicant of each Parish and Mission shall have a seat and voice at the meetings of the Convocation. Only official representatives shall have a vote. All priests and deacons exercising their ministries within the Convocation shall be entitled to one vote each and each Parish shall be represented by as many as six deputies who shall be elected at the annual meeting of said Parish, ~~or Mission or parochial chapel~~. Certification of election of deputies shall be filed with the Secretary of the Convocation not later than fourteen days after such annual meeting.

SECTION 4. There shall be an annual meeting of each Convocation which shall be held at a date in the month of October or November in each year as may be determined by each Convocation ~~and there shall be at least one meeting in the Spring of each year~~ but the Convocation may meet at such other times for ~~special business~~the conduct of business and the presentation of programs.

SECTION 5. There shall be a presiding officer known as the Dean of the Convocation who shall be a presbyter canonically resident in the Diocese of New Jersey and in pastoral charge of a Parish or Mission within the Convocation. There shall be a Secretary who may be a lay member of the Convocation. Both the Dean of the Convocation and the Secretary shall hold office for a term of three years. Deans may not ~~succeed themselves more than once~~ be elected for more than two three-year terms of office, provided that if a Dean is elected or appointed to complete a term when the office has become vacant, she or he may be elected to up to two full terms thereafter. The Secretary shall be known as the Secretary of the Convocation, and shall exercise the usual duties of a Secretary and such other duties as may be delegated to the Secretary by the Convocation.

SECTION 6. The Dean and the Secretary shall be elected by the Convocation at the time of its annual meeting. The Dean and the Secretary ~~shall~~ may be nominated by a Nominating Committee appointed by the Dean and consisting of three presbyters and three lay delegates of the Convocation or from the floor of a meeting of the Convocation. ~~The election of the Dean~~ If proposed by the Nominating Committee, the name of the proposed nominee shall be submitted to the Bishop for the Bishop's approval prior to the meeting at which the election is to take place. If nominated from the floor, the Dean-elect's name shall be submitted to the Bishop for the Bishop's approval.

SECTION 7. Each Convocation ~~shall~~ may have an Executive Committee appointed by the Dean of the Convocation which shall consist of the Dean, the Secretary and three other ~~official~~ members of the Convocation. ~~The said Executive Committee shall~~ may plan a program for each meeting and set forth the nature of such program in the call for the meeting issued to each Parish and Mission ~~at least two weeks prior to the date of the ensuing meeting.~~

SECTION 8. ~~If a Convocation so determines at a meeting thereof, each~~ Every Parish or Mission which is a member of the Convocation ~~represented at the Convocation by either clerical or lay members,~~ shall pay to the Secretary of the Convocation of which it is a member an amount no greater than the sum of twenty-five dollars (\$5.00) annually at the its annual meeting held in the Spring of the year, to cover the essential expenses of postage, etc., involved in to provide for expenses in the work of calling and holding meetings, etc. ~~There shall be no other official or required expenses charges.~~

SECTION 9. The Bishop of the Diocese shall be considered a member of each and every Convocational organization, and shall be entitled to a voice and a vote on all matters coming before the Convocation.

SECTION 10. The Deans of the ~~several~~ Convocations, ~~meeting~~ under the chairmanship of the Bishop of the Diocese or a person designated by the Bishop, shall ~~constitute a Convocation Committee~~ meet regularly for the purpose of coordinating the work of the Convocation, programs, and other matters ~~not distinctly local to each Convocation. All questions which are of only local interest shall be determined by the Convocation at one of its regular or special meetings. Convocations and such other matters as the Bishop shall determine.~~

SECTION 11. Upon the resignation, death or transfer from the Diocese of any Dean of a Convocation the Bishop ~~shall~~ may either appoint a person otherwise qualified or convene the Convocation within a period of three months for the purpose of electing a successor, in either case to fill the unexpired term.

And be it further *Resolved*, That Section 1 of Canon 27 of the Canons of the Diocese of New Jersey be amended as follows (deletions shown by strikethrough, insertions by double-underline):

SECTION 1. There shall be a Board of Missions to which shall be entrusted under the Bishop, the Missionary work of the Diocese. The Bishop or some person designated by the Bishop shall serve as Chair of the Board. Each ~~convocation~~ Convocation shall in ~~their spring~~ an annual meeting elect one clerical member and one lay member at least one of whom will be a vicar or a lay member of a Mission church to serve a three-year term, which shall begin immediately upon election. The elections shall be staggered such that no more than one-third of the membership shall end their terms in a given year. In addition, both the Bishop and Diocesan Council may each appoint two members for three-year terms. In the event of an unexpected vacancy, ~~convocations~~ Convocations may elect members for the unexpired terms of ~~convocation~~ members previously elected by its Convocation and the Bishop or Diocesan Council may appoint members to fill the unexpired terms of their appointments.

~~(At the first meeting of the Board after the adoption of this canon, the newly-elected members shall draw lots to determine whether they will serve for three, two or one year, respectively, in order that no more than one-third of the Board's terms should expire in any given year.)~~

The Standing Committee on Constitution and Canons recommends the adoption of this implementing resolution.

Part V

Canon 36

Life Insurance, Dental and Medical Benefits

Canon 36 provides for the establishment and work of the Benefits Committee in making health and related insurance available to clergy and lay workers in the Diocese in accordance with requirements established by The Episcopal Church. The Benefits Committee has spent several years in reviewing this canon and is now recommending changes to bring it into compliance with current mandates and to facilitate its operations.

The intention of amending Canon 36 is primarily to (a) reduce the minimum number of Committee members to ensure that the Committee is able to complete its work, (b) allow the Committee to decide on a change of providers through the Church Pension Group ("CPG") in order to maintain the same overall level of benefits, (c) clarify the wording regarding current eligibility standards, (d) allow clergy to opt out of additional life insurance if they choose to do so, (e) remove redundancies and incorrect information regarding payment of premiums, and (f) include schools and institutions that are subject to the authority of The Episcopal Church ("TEC") in order to comply with General Convention resolutions.

The reasons for the recommended changes to Canon 36 can be summarized as follows:

Reduce Minimum Size of Committee: Research suggests that smaller committees can be more effective and, while we welcome a larger number of committee members, we believe we can accomplish our work effectively with a minimum of five members. It would be detrimental to the entire diocese if this Committee were prevented from doing its work because of an inability to meet the required minimum number of members.

Remove requirement to obtain permission of Convention to change providers: The Committee believes it is important to maintain the overall level of benefits but doing so may require changes in providers that cannot be accomplished at a time when approval of Convention is possible. For example, continuation of dental benefits when leaving a position can be extended to 36 months instead of just 18 if we switch from Delta Dental to Cigna Dental through CPG while maintaining the same level of benefits and premium cost. Additionally, Delta covers adult children to age 26, but Cigna would cover adult children to age 30. However, this change can only be done when contracts are available, in late Fall. At other times, the change of providers is beyond our control, as those decisions are made by CPG. We are bound by the General Convention to participate in the Denominational Health Plan, so that cannot be changed.

Clarify wording regarding eligibility: The wording of Canon 36 is confusing, outdated, and simply incorrect in places. Eligibility for benefits is determined by CPG rules and is currently defined (incorrectly) in Section 2 only for

Retired Clergy and Lay Employees. The suggested amendment is to identify eligibility separately for Active Clergy and Lay Employees, and for Retired Clergy and Retired Lay Diocesan Employees.

Make additional life insurance for clergy optional: Under the current Canon 36, life insurance must be provided to all eligible actively employed clergy. This \$50,000 insurance policy duplicates life insurance already provided through the Clergy Pension Plan (up to \$150,000) and results in imputed income having to be reported for tax purposes. Changing this so that it must be offered allows the cleric to opt out of the additional life insurance if they choose.

Clarify and correct wording regarding payment of premiums: The current wording throughout Section 3 regarding premiums refers to a minimum percentage as determined from time to time by Convention when referring to payment of premiums. The percentage has historically always been 100% but was not clearly stated. The payment of health insurance premiums is detailed in the subsections of Section 3(c). Added to Section 3(c)(2) is the intent of the previous last sentence of Section 3(d), noting that an employing Congregation may elect to pay the full premium if a more expensive health plan is chosen. Our contract for dental insurance requires that 100% of all premiums be paid by the employer.

Add schools and institutions: The inclusion of schools and institutions under the authority of The Episcopal Church is necessary to clarify that this is a requirement of TEC.

The Standing Committee on Constitution and Canons has reviewed these proposals and found them to be reasonable. At the same time, it takes this opportunity to regularize capitalization as appearing elsewhere in the Canons.

Accordingly, the Committee proposes the following implementing resolution:

Implementing Resolution V: *Resolved*, That Canon 36 of the Canons of the Diocese of New Jersey be amended as follows (deletions shown by strikethrough, insertions by double-underline):

CANON 36

Life Insurance, Dental and Medical Benefits

SECTION 1. The Ecclesiastical Authority, acting with the advice and consent of the Standing Committee, shall appoint a Benefits Committee of no fewer than ~~seven~~ five members. The Benefits Committee shall include both clergy and lay members who shall serve for one-year terms and may be reappointed. Vacancies shall be filled by the Ecclesiastical Authority with the advice and consent of the Standing Committee. The Ecclesiastical Authority may appoint members of the Diocesan staff to serve as resource persons for the Benefits Committee.

SECTION 2. The Benefits Committee shall review annually the coverage terms and premium costs of the benefit programs established in Sections 3 and 4 of this Canon. It shall report annually to the Diocesan Convention its findings and recommendations on pertinent matters affecting these programs. The ~~plan providers and~~ overall level of benefits of these programs shall not be changed without the approval of the Convention. Between meetings of the Convention, in the case of urgent need, or when specifically authorized by Convention to act in its stead, the Benefits Committee may approve changes in the benefit programs as it deems necessary.

The Benefits Committee may, with the consent of the Diocesan Council, engage professional consultants to assist it with its work. Provision for the expense of such consultants shall be made in the Diocesan Budget.

The Benefits Committee shall advise the Chief Financial Officer of the Diocese in matters pertaining to the administration of the benefits programs, including standards of eligibility for participation in the plans. Eligibility shall be defined under Section 3 of this Canon for Active Clergy and Lay Employees, and under Section 4 of this Canon for Retired Clergy and Retired Lay Diocesan Employees, as well as under

the Retired Clergy and Lay Diocesan Employees Health Insurance Benefits Policies established by the Benefits Committee and reviewed annually as set forth in the first paragraph of this Section.

The Benefits Committee, with the help of Diocesan staff, shall provide an educational program, offered on an annual basis, to provide information on the eligibility and coverage provisions of the benefits programs.

SECTION 3: There shall be maintained within the Diocese programs for the purpose of providing life insurance, medical, and dental benefits for eligible actively employed (at least 1,000 hours per year) clergy and lay employees in the Diocese. The medical and dental benefits will also be available for the eligible dependents of those clergy and lay employees.

(a) The life insurance coverage must be ~~provided~~ offered to eligible actively employed clergy, and the employing ~~congregation~~ Congregation must pay the ~~minimum percentage (as established from time to time by the Convention)~~ of the premium cost for that coverage. Life insurance may, at the option of the employing ~~Congregation-congregation~~, be provided to eligible lay employees. If coverage is provided to eligible lay employees, it must be offered on a basis that is non-discriminatory, and the employing congregation Congregation must pay the ~~same percentage (as established by the Convention)~~ of the premium cost for that coverage.

(b) Dental benefits must be offered to eligible actively employed clergy, and the employing ~~congregation~~ Congregation must pay the ~~minimum percentage (as established from time to time by the Convention)~~ of the premium cost for both employee and dependent coverage. Dental benefits may, at the option of the employing ~~Congregation-congregation~~, be offered to eligible lay employees. If coverage is offered to eligible lay employees, it must be offered on a basis that is non-discriminatory and the employing ~~congregation~~ Congregation must pay ~~at least the minimum employer premium payment amount established by the insurance company or benefit provider underwriting the dental plan, or a higher percentage as established from time to time by the Convention~~ the premium cost for that coverage.

(c) Medical benefits must be offered to eligible actively employed clergy and lay employees, and the employing ~~congregation~~ Congregation must pay the premium as set forth in the following subsections of this Section 3(c) for both employees and their eligible dependents for those working at least 1,500 hours per year ~~a percentage of the premium cost for both employees and dependents set forth in the following subsections of this Section 3(c)~~. There is no employer premium payment requirement for clergy and lay employees who work at least 1,000 but fewer than 1,500 hours per year; however, if premium payments are provided, parity between clergy and lay employees must be maintained.

(1) Each year by October 1 the Benefits Committee shall specify and announce a traditional medical plan that shall be the standard for ~~congregations~~ Congregations to pay one hundred percent of the plan's premium cost for its clergy and lay employees for the following calendar year.

(2) If any clergy or lay employee elects to participate in a health plan that has a higher premium cost than that of ~~this the~~ standard plan, ~~then the congregation~~ Congregation may elect to pay the full, higher premium or may require that such the clergy or lay employee pay the additional premium cost for such plan. to pay the difference between the standard plan premium and the chosen higher premium plan, provided that all clergy and lay employees are treated equally.

(3) If any clergy or lay employee elects to participate in a high-deductible health plan option, and the congregation elects to make a contribution to a health savings account of that clergy or lay employee, then parity applies, and the congregation must also make an

equivalent contribution to a health savings account for any other clergy or lay employee who participates in a high-deductible health plan option.

(d) For purposes of this Section, "employing ~~Congregation~~ congregation" shall be deemed to include the Diocese of New Jersey, ~~and Collegiate Chapels, and schools or institutions under the authority of The Episcopal Church.~~ Where an eligible employee has more than one eligible employer, the employers may apportion payments based on hours worked. ~~An employing congregation may elect to pay more than the diocesan minimum percentages of premiums, provided that all clergy and lay employees are treated equally.~~

SECTION 4: There shall be maintained within the Diocese a program for the purpose of providing medical benefits in addition to Medicare for the eligible retired clergy and lay Diocesan staff and their qualified spouses, widows, and widowers. The Diocese will pay 100% of the premium cost for this coverage if the clergy or lay person's employment in this Diocese commenced prior to January 1, 1991. If the eligible person's employment in this Diocese commenced on or after January 1, 1991, the Diocese will pay a percentage based upon years of employment within the Diocese in accordance with the following schedule:

<u>Years Employed Within the Diocese</u>	<u>Percent of Premium Paid by Diocese</u>	<u>Percent of Premium Paid by Individual</u>
20 or more	100%	0%
15 but less than 20	75%	25%
10 but less than 15	50%	50%
5 but less than 10	25%	75%
Less than 5	0%	100%

No person employed within or retired from the Diocese shall have his or her existing benefits adversely affected by any future amendments to this Section.

The Standing Committee on Constitution and Canons recommends the adoption of this implementing resolution.

Part VI
New Canon 47
Congregational Common Call, Mission, and Standards
Canon 60, Section 2
Reclassification Procedure from Parish to Mission Status

The Task Force on Vulnerable Congregations has issued its Report to the 236th Convention, containing its recommendations for a new canon to set forth the common call to mission of Diocesan Congregations and the indicia for a Congregation's inability to meet that goal. At the same time, the Task Force is recommending shortening of certain time-frames set forth in Section 2 of Canon 60 regarding a possible change from Parish to Mission status. As an adjunct to the new canon, the Task Force recommends the adoption of a statement of "Common Expectations for Mission".

The Standing Committee on Constitution and Canons has reviewed these proposals and see no need to restate the substance of the Task Force's report here. We believe that these proposals are proper for adoption into our canons; however, we recommend that the text of the statement of Common Expectations for Mission, if adopted, be included in the publication of our canons in order to make them more readily available to everyone in the Diocese.

Accordingly, the Committee proposes the following implementing resolution:

Implementing Resolution VI: *Resolved*, That the Diocese of New Jersey adopt a new Canon 47 of the Canons of the Diocese of New Jersey, to read as follows:

CANON 47

Congregational Common Call, Mission and Standards

SECTION 1. (a) The people and Congregations of the Diocese share a common call and mission to proclaim and live out the Gospel. The shape and appearance of that call and mission will vary from Congregation to Congregation over time and depending on resources and the needs of the people and communities which they serve. That call and mission will always be defined and prompted by the Gospel.

(b) The people of the Diocese acting in Convention may from time to time adopt statements setting forth common expectations for congregational behavior and work in support of the shared call and mission of all Congregations. A statement adopted by Convention and specifically describing itself as a standard under this Canon 47 is referred to in these canons as "Common Expectations for Mission" and if so adopted will be printed as an addendum to this Canon.

(c) It is the mutual responsibility of the Diocese, including its Bishop, staff, the various boards, committees, and commissions established from time to time, the Convocations, and the several Congregations of the Diocese, to support each Congregation in its efforts to discharge the common call and mission described in this Canon 47 or as described in Common Expectations for Mission.

SECTION 2. (a) In exceptional circumstances a Congregation may find itself at risk of being unable to discharge its responsibility to carry out the call and mission which is a part of being a Congregation of this Diocese (a "Vulnerable Congregation"). In such cases a degree of episcopal intervention or oversight may be needed as a means of restoring the health of the Congregation.

(b) Where one or more of the circumstances described in Section 2(c) appear to be continuing, or a Congregation is unable to meet the Common Expectations for Mission, the Diocesan Council, or a committee thereof appointed for this purpose, shall make an inquiry into the circumstances at the request of the Wardens and a majority of the Vestrymembers or Mission Committee of the Congregation in question or its Rector or Priest-in-Charge, as the case may be, or the Ecclesiastical Authority. Except where more time is reasonably required, the Diocesan Council, within 60 days of receiving such a request, shall make a determination that the Mission or Parish in question is a Vulnerable Congregation or not.

(c) One or more of the following continuing circumstances may be the basis for a determination by the Diocesan Council that a Mission or Parish is a Vulnerable Congregation:

- (1) the failure to elect Wardens and Vestrymembers in the case of a Parish or a Mission Committee in the case of Mission for a period of more than six months;
- (2) the failure to call a Priest-in-Charge or Rector to serve the Congregation for more than two years;
- (3) the failure to pay the minimum clergy compensation as required by canon (including for this purpose all insurance premiums and pension contributions);
- (4) the failure to maintain the property of the Congregation in good repair or in the event of fire or other casualty the failure to take steps to effect such repair, to the extent that Congregation is unable to hold public services of worship, except in circumstances where the Congregation in consultation with the Ecclesiastical Authority is actively working to relocate to some alternative space for worship and service;
- (5) the persistent and significant instability or decline in the financial condition of the Congregation, as evidenced by, for example, substantial invasion of the principal portion of endowment or trust

- funds, to such a degree that the long-term viability of the Congregation as a self-supporting entity is in jeopardy;
- (6) a Vestry's or Mission Committee's persistent failure or neglect to carry out its fiduciary responsibilities including conforming to the business methods in church affairs required by the Constitution and Canons of The Episcopal Church or of this Diocese, including requirements relating to the proper record-keeping, proper maintenance of books of account, annual audit, and the maintenance of adequate insurance;
 - (7) the failure to implement in good faith any plan or arrangement agreed to by the Congregation under this Canon.
 - (8) apart from the foregoing, a deliberate and continuing breach of any canonical obligation of the Congregation.

SECTION 3. If a Congregation is determined to be a Vulnerable Congregation in accordance with this Canon, the Ecclesiastical Authority may require the application of one or more of the remedies below:

- (a) The appointment of a Congregational Aid Committee of three or more persons with expertise in the issues leading to the declaration of a Vulnerable Congregation. The Congregational Aid Committee shall propose a plan to restore the Congregation to health (a "Plan of Restoration"). A Plan of Restoration shall be accepted or rejected by the elected representatives of the Congregation within 30 days, and implemented thereafter in accordance with its terms.
- (b) If the Congregation is a Parish, a determination by the Ecclesiastical Authority that the continuation of circumstances specified in Section 2 (c) constitutes a failure to comply in a material way with the requirements set for Parishes by Article VI of the Constitution as contemplated by Canon 60, in which case the Ecclesiastical Authority may follow the procedures set forth in Canon 60.
- (c) Such other measures as the Ecclesiastical Authority shall determine with the advice and consent of Diocesan Council, until the Ecclesiastical Authority declares the end or sufficient amelioration of such conditions, or applies further measures under the Canons.

And be it further *Resolved*, That Canon 60, Section 2(a) of the Canons of the Diocese of New Jersey be amended as follows (deletions shown by strikethrough, insertions by double-underline):

SECTION 2. (a) If a Parish is unable or anticipates being unable to comply in a material way with the requirements set for Parishes by Article VI of the Constitution for a period of six months, the elected leadership of the Parish shall so inform the Bishop. If it appears that the six-month period has passed and the elected leadership of the Parish has not informed the Bishop, then the Rector of the Parish, the Canon to the Ordinary, if there be one, the Chief Operating Officer of the Diocese, if there be one, the Board of Missions, the Board of Consultation, or the Dean of the Convocation of which the Parish is a part, may so inform the Bishop. In either such event the Bishop shall invite the Rector, Wardens, and Vestrymembers of the Parish to meet with the Bishop and one or more consultants chosen by the elected leadership of the Parish or by the Bishop to discuss and formulate a plan to address the problem. If within ~~twelve months~~ ninety days of the Bishop's first being advised of the problem no plan can be agreed by all parties, or, if a plan is agreed but the Parish is unable to achieve complete compliance with such plan within a period of ~~twelve~~ six months after it is adopted, the Bishop may determine that the problem cannot be resolved and that the Parish is no longer viable and should be reclassified as a Mission as governed by Canon 56. The Bishop will inform the Rector, Wardens, and Vestrymembers of the Parish concerned and the Diocesan Council of any such recommendation. The Diocesan Council will make its own determination of whether it does or does not concur with the Bishop's recommendation. The Bishop's recommendation and Diocesan Council's finding shall be reported to Convention for action as provided in Canon 46, Section 2.

The Standing Committee on Constitution and Canons recommends the adoption of this implementing resolution.

Conclusion

The Committee has received no further timely proposals for consideration for this year. The Committee reminds members of Convention that proposals for amendments to the constitution or canons must be submitted to the Committee by December 1, 2020 for consideration at the 2021 Diocesan Convention.

The Committee appreciates the input it receives from other diocesan officers and bodies within the areas of their expertise. The Committee also notes that The Rev. Dr. Jeffrey M. Kirk and Donna L. Freidel, Esq. are completing their current terms on the Committee, although they have been nominated for a further term. We thank them for their service to the Committee.

Respectfully submitted,

The Reverend Dr. John P. Mitchell, Chair

Paul De Sarno, Esq., Vice Chair

Donna L. Freidel, Esq.

The Reverend Dr. Jeffrey M. Kirk

Canon Paul Ambos, Esq., Secretary