

The Executive Council

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EXECUTIVE COUNCIL

A. MEMBERSHIP

Ex-Officio Members

The Most Rev. Edmond L. Browning, D.D., Presiding Bishop, DFMS Pres. and *Chair*
Dr. Pamela P. Chinnis (Washington) *Vice Chair*

Elected until General Convention 1997

The Rt. Rev. Sam B. Hulsey (Northwest Texas)
The Rt. Rev. Calvin O. Schofield Jr. (Southeast Florida)
The Very Rev. J. Earl Cavanaugh (West Missouri)
The Rev. Dr. Fran Toy (California)
Mrs. Margaret Anderson (Arizona)
Joyce Phillips Austin, Esq. (New York)
Ms. Sally M. Bucklee (Washington)
John D. McCann, Esq. (Lexington)
The Hon. George T. Shields (Spokane)
Timothy D. Wittlinger, Esq. (Michigan)

Elected by Province until General Convention 1997

Mrs. Judith G. Conley (Connecticut, I)
Mr. Peter Ng (New York, II)
John L. Harrison, Jr. (Pennsylvania, III)
The Rt. Rev. Don A. Wimberly (Lexington, IV)
Canon Nancy L. Moody (Northern Indiana, V)
Mrs. Sherry Maule (South Dakota, VI)
Mr. Harry L. Denman (Kansas, VII)
Dr. Hobart Banks (California, VIII)
The Rev. Geoffrey Reeson (Ecuador, IX)

Elected until General Convention 2000

Mr. Richard Bowden, Sr. (Atlanta)
Ms. Virginia Doctor (Alaska)
Mrs. Diana Frade (Honduras)
Mrs. Virginia Paul (Western Louisiana)
Ms. Hatsune Sekimura (Hawaii)
Mr. Ralph Spence, Jr. (Montana)
The Rev. Reynolds S. Cheney II (West Tennessee)
The Rev. Carmen Guerrero (Los Angeles)
The Rt. Rev. Christopher Epting (Iowa)
The Rt. Rev. Franklin Turner (Pennsylvania)

Elected by Province until General Convention 2000

The Rev. Randall Chase, Jr. (Massachusetts, I)
The Rev. Dr. Virginia Sheay (New Jersey, II)
The Rev. John D. Lane (Southwestern Virginia, III)
Ms. Toni H. Gilbert (East Tennessee, IV)
The Rev. Canon Margaret Sue Reid (Indianapolis, V)
The Very Rev. Sandra A. Wilson (Colorado, VI)
The Very Rev. M. L. Agnew, Jr. (Western Louisiana, VII)
The Rev. Bavi Edna Rivera (California, VIII)

Ms. Virginia A. Norman (Dominican Republic, IX)
Officers of the Domestic and Foreign Missionary Society
Dr. Diane M. Porter, Vice-President
The Rev. Canon Donald A. Nickerson, Jr., *Secretary*
Mr. Stephen C. Duggan, Treasurer

B. CALENDAR OF MEETING DATES AND SITES

The Executive Council met on the following dates during the 1994-97 triennium.

1994 New York, NY, October 31 - November 4
1995 Providence, RI, February 13-17
 Seattle, WA, June 12-16
 Birmingham, AL, October 30 - November 3
1996 Miami, FL, February 8-12
 Charleston, WV, June 10-14
 Toronto, Ontario, November 7-12
1997 Cincinnati, OH, January 27-31
 Honolulu, HI, April 25-29

C. INTRODUCTION

“In 1997, when the 72nd General Convention meets in Philadelphia, this Executive Council will be called to give an accounting of our stewardship, of our faithfulness.” With these words, in November of 1994, our Presiding Bishop, The Most Rev. Edmond L. Browning, Chair and President of the Executive Council, summoned us to take up the work of the 1994-1997 Triennium. He gave clear voice to the mandate in the Canons. “There shall be an Executive Council of the General Convention (which council shall generally be called simply the Executive Council) whose duty it shall be to carry out the program and policies adopted by the General Convention. The Executive Council shall have charge of the unification, development, and prosecution of the Missionary, Educational and Social Work of the Church, and of such other work as may be committed to it by the General Convention.” Section (b) of that Canon states that the Council shall be accountable and shall render a full published report concerning the work with which it is charged to each meeting of said Convention. Canon I.4.2(e) further states “The Council shall exercise the powers conferred upon it by Canon, and such further powers as may be designated by the General Convention, and between sessions of the General Convention may initiate and develop such new works as it may deem necessary”.

We on the Council are also the Board of Directors of the Domestic and Foreign Missionary Society, our legal entity, which is empowered by the Canons to direct the disposition of the moneys and other property of the Society. Ex officio members, the Presiding Bishop as Chair and the President of the House of Deputies, Dr. Pamela P. Chinnis, as Vice-Chair, preside over the Council of 38 members, 20 of whom are elected from the General Convention and 18 of whom are elected by the nine provinces, one half of the membership being elected every three years to serve six year terms each. In addition, the Secretary of the General Convention is ex officio the Secretary of the Council, while the Executive Council elects a Vice-President and a Treasurer

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upon the nomination of the Chair. Also sitting at the table this triennium with voice but no vote is the Vice -President of the House of Deputies.

Meeting three times annually during the triennium, once in each of the nine provinces, our work is built upon the "firm foundation of Jesus Christ, our Lord". Daily worship, Bible study and reflection, personal trust and sharing provide the framework in which inquiry, debate, deliberation, and decision making can occur with honesty and validity.

Each Council person serves on one of the three Standing Committees of Council. The committees, supported by Church Center staff are: Planning and Evaluation (with eight members), Administration and Finance (with 10 members), and Program (with twenty one members). Program has three subcommittees which are: Diocesan/Congregational/Partnerships; Anglican/Global/Covenants and Ministry/Support.

It is primarily from this committee structure and the plenary sessions which follow their meetings that the final conclusions and actions of the Council emerge. It is with the foregoing background information, then, that the Executive Council offers its report to the 72nd General Convention. We do so, every man and woman of us, grateful and honored to have had this opportunity to serve our Lord, Jesus Christ, and you, in His Beloved Body, the Church.

D. SUMMARY OF COUNCIL'S WORK

Throughout the triennium, we forty members of council maintained our commitment to helping the church realize new ways of doing mission, building the model of shared responsibility into the whole life of the church, and giving new vigor and purpose to the total church structure. We addressed legislation and programs that redefined the cooperative role at all levels - international, national, provincial, diocesan, and congregational. Listening to the voice of the church through the Long Range Planning process that continued to evolve in the triennium, we grew in our ability to hear the needs and aspirations that were expressed during our diocesan consultations and ministry site visits. We pray that we have grown in our ability to coordinate resourceful and challenging responses.

As you will read in this Executive Council Report to the 72nd General Convention, strong new programs have emerged from the work of the Council in this triennium. The Justice, Peace and the Integrity of Creation configuration, for instance, offers powerful incentives and opportunities for important work in mission and ministry. JPIC's embracing of the Jubilee model for their work has made its impact on the life of the church in mission all the more effective. Council, through the work of the Committee on the Status of Women, has continued to support and ratify the full and equal role of women in the total life of the church at all levels.

Council's vision of wholeness for the church is also expressed in our continued and unequivocal support and empowerment of the church's growing chorus of ethnic voices.

We are grateful to our youth for their valued contributions to the life of the Episcopal Church. Since the Partners in Mission consultation and the first round of diocesan visits, both in 1993, and the second series of diocesan visits in 1996, all named our youth as the number one priority, the

Executive Council has intentionally invited and involved the young people of our host dioceses to participate in Council meetings, to act as consultants to the Standing Committee on Program, and to share their perspectives on the issues before us.

We work and have responsibilities far beyond the geographical limits of PECUSA. Our commitments extend to our Covenant Relationships with Liberia, the Philippines, and Mexico, Central America and The Covenant Committees, to the world-wide Anglican Communion of 70 million souls, to our ecumenical dialogues, to the National Council of Churches and the World Council of Churches, and to the Anglican Consultative Council, whose meeting, held in October, 1996, elected PECUSA's lay representative, Judy Conley, as a member of that body's Standing Committee. Our partners are global, and so must be our concerns.

Just as we monitor the development and disbursement of PECUSA's \$40,527,088 1997 Budget, over \$8.8 million of which is earmarked for the previously mentioned overseas, ecumenical and domestic covenants and commitments, we also monitor the companies and corporations in which the Society's moneys are invested. For this triennium, as of January 31, 1997, Executive Council's Social Responsibility in Investments Committee (SRI) has filed 29 resolutions with corporations, in which we hold shares, whose policies are at odds with those of the Episcopal Church and the Society. We will not hold stocks in any company engaged in the tobacco business. Our goals, upheld by our proxy votes, are to "strive for justice and peace among all people, and to respect the dignity of every human being." Joining with other churches and non-profits, we have much more influence than anyone would have imagined possible.

Other important work is being accomplished in many diverse areas of the church. The Standing Commission on the Structure of the Church reported to Executive Council in late January, 1997 with the final draft of their proposals, which will be presented to General Convention 1997 for consideration and action. We have heard from the Chair of the Board of Directors of Episcopal Life, from the United Thank Offering, and from the Director of the Presiding Bishop's Fund for World Relief, all reporting increased participation and giving.

Jubilee Ministry is certainly one of our most exciting stories. There is now a total of 659 Jubilee Centers; eight years ago there were but 17. The dioceses of Bethlehem, North Dakota, and South Dakota have been designated Jubilee Dioceses, with every congregation enrolled. Executive Council has affirmed 253 new Jubilee Centers in the triennium.

Brimming with new life, the church's missionary program is another success story. Executive Council, to date in this triennium, has received with gratitude Bishop Browning's appointment of 38 Volunteers For Mission and 22 Appointed Missionaries. We have commended and given thanks to the 15 Appointed Missionaries completing their assignments, and to the 57 Volunteers for Mission who have faithfully completed their services. Executive Council expressed its appreciation to the Rt. Rev. Jose G. Saucedo, Diocese of Mexico, who served as missionary bishop of the Diocese of Mexico from January 14, 1958 to December 5, 1996.

Council approved the establishment of eighteen Companion Diocese Relationships: The Diocese of East Carolina with the Diocese of Puerto Rico, the Diocese of Missouri with the Diocese of Puerto Rico, the Diocese of Georgia with the Diocese of Belize in the Church of the Province of

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the West Indies; also from the Province of the West Indies, Southern Virginia with North Eastern Caribbean and Aruba, Springfield with Barbados, and Pennsylvania with Guatemala. Also approved were Companion Relationships between the Dioceses of Olympia and Jerusalem, Eau Claire and the Old Catholic Diocese of Germany, California and the Beijing Christian Council of China, and a four-way relationship among the Dioceses of Los Angeles, North Central Philippines, Belize of the Province of the West Indies, and the Church of the Province of West Africa. We also approved Companion Relationships between the Diocese of Fort Worth and the Anglican Diocese of Northern Malawi in the Church in the Province of Central Africa; and between Fort Worth and the Diocese of Northern Mexico in the Anglican Church of Mexico; and the Diocese of Southern Ohio with the Diocese of the Windward Islands in the Church in the Province of the West Indies, and the Diocese of Aotearoa in the Church in the Province of Aotearoa, New Zealand and Polynesia.

This triennium has also seen the realization of some long-cherished hopes and plans. Council's joint meeting in Toronto, Ontario, in November, 1996, with the Council of General Synod of the Anglican Church of Canada was a symbol and a result of our true inter-Anglican solidarity and a crowning moment in a tradition that has involved sending observers to each other's council meetings since March, 1990. In June of 1995 we resolved that we also invite observers from the Evangelical Lutheran Church in America to have seat and voice at Council's table in order that we each might know the other better as the two bodies move toward their 1997 votes on the proposed "Lutheran Episcopal Concordat of Agreement."

Council's custom, of recent years, of holding our meetings across the length and breadth of the nation, and in the Ninth Province, has provided blessing upon blessing. We have been thrilled by the love and the ministries that we have seen and experienced. We have witnessed great strength and vitality. We have affirmed, and we have been affirmed. Our meeting in Charleston, West Virginia, in June, 1996, opened the door to new planning for 1997, a year of celebration of small churches. Our visit to a rural mountain congregation let us enter into the vibrant life of that Christ-filled community, and we will remember the excitement and the outreach we found there, and know that small churches everywhere can be life-giving.

A final note. The spirit of trust and cooperation that has grown between and among Bishop Browning, Dr. Chinnis, and all of us who have been elected to Executive Council was tested and proved sufficiently strong as we were called upon to confront and deal with the defalcation by our former treasurer, with its aftermath and its final resolution. We worked hard to respond to the unfolding tragedy proactively and positively so as to reassure the church of our ultimate guardianship of the church's interests. We took concrete steps in rethinking and restructuring the church's fiscal safeguards, placing responsible new personnel in key positions in the evolving new structures. Ultimately, the church was able to recover all but \$100,000 of the \$2.2 million embezzlement. A highly respected, professional financial team is now in place.

Executive Council's work in the triennium has moved it in many areas and in many ways into a vision of and for the Episcopal Church in the 21st century; a church striving mightily to live into the ideals of the Baptismal Covenant and into an ever new and more fulfilling life in Christ.

Respectfully prepared by Nancy Moody for the Executive Council

E. RESOLUTIONS FOR CONVENTION ACTION

The deliberations of Executive Council have resulted in our offering for action by the General Convention the three resolutions which follow, Each in its own way, we believe, will be beneficial to the life and governance of the church.

Resolution A030 Stipend for President of House of Deputies

- 1 *Resolved*, the House of _____ concurring, That Canon I.1.8 be amended to read as follows:
- 2 The General Convention shall adopt, at each regular meeting, a budget to provide for the
- 3 contingent expenses of the General Convention, the stipend of the Presiding Bishop together with
- 4 the necessary expenses of that office, *the stipend of and* the necessary expenses of the President of
- 5 the House of Deputies.....and be it further
- 6 *Resolved*, That Canon I.4.5 be amended to read as follows:
- 7 With the exception of the salary of the President of *the Council and the President of the House of*
- 8 *Deputies*, the salaries of all officers of the Council and of all agents and employees of the Council
- 9 shall be fixed by the Council and paid by the Treasurer.

Explanation

Acknowledging that the Office of the President of the House of Deputies should be honored and affirmed for its important role in the life of the church and, further, to confer a degree of flexibility for persons who might not otherwise be able to accept the Presidency, it is appropriate that a flexible stipend be established for the position. Since the Treasurer and the Chair of the Executive Council Standing Committee on Administration and Finance and the Chair of General Convention's Joint Standing Committee on Program, Budget and Finance establish the compensation for the Presiding Bishop, it is felt that they are considered the most fitting group to determine a stipend for the President of the House of Deputies.

Resolution A031 Mediation as Alternative for Dispute Resolution

- 1 *Resolved*, the House of _____ concurring, That Title IV, Canon 4, be amended so that present
- 2 IV.4.9 and IV.4.10 be renumbered and be designated IV.4.9(a) and IV.4.9(b) respectively and that
- 3 a new Section 10 (IV.4.10) be added as follows:
- 4 *Sec. 10 The parties may themselves at anytime agree to submit their dispute to mediation, a*
- 5 *process whereby they attempt to reach agreement facilitated by a neutral third party, the*
- 6 *mediator. At any time during the course of any proceeding under this Title IV, upon the motion or*
- 7 *request of any party, the Standing Committee, the Diocesan Bishop, the Bishop then serving as*
- 8 *the President or Vice President of the Province, or the Presiding Bishop, and if a presentment has*
- 9 *been filed, with the approval of the Ecclesiastical Court, any dispute other than a dispute as to*
- 10 *the form or extent of the sentence to be imposed, shall be submitted to mediation and one or two*
- 11 *mediators be selected by the parties or, if the parties be unable to agree on a mediator, be*
- 12 *appointed by the Presiding Bishop from those persons previously designated by the Presiding*
- 13 *Bishop as mediators qualified to act as such for disputes involving issues of canon law. The costs*
- 14 *of mediation shall be assessed as provided by Canon IV.14.20 with the fees and costs of the*
- 15 *mediator to be borne by the Diocese.*

Explanation

The Executive Council offers an alternate means of resolving disputes within the church. Trials before ecclesiastical courts might resolve these disputes, but that litigious means will not lead to peace among us. Mediation does not offer a different result from that mandated by Canon Law. It does offer a different process to reach that result. A mediator has no power, no authority to make a decision for the parties to the dispute. Mediation is, therefore, voluntary so that any resolution of a dispute represents the agreement or consensus reached by the parties. Specifically, the Executive Council hopes that a good percentage of disputes between a member of the clergy and a bishop or vestry can be expected to mediate to consensus. If the priest or deacon and the bishop or vestry find a way through mediation to accomplish the vocation of the priest or deacon without having to resort to an expensive trial before an ecclesiastical court, the result will be to avoid a litigious process that can be expected to be emotionally and spiritually devastating to the parties and to the church.

Resolution A032 Common Beliefs on Relationships

- 1 *Resolved*, the House of _____ concurring, That we recognize recent discussions in the Church
- 2 regarding human sexuality have revealed increased ambiguity and tension; we affirm the
- 3 mysterious nature of human sexuality. these matters are deeply personal, and it is quite difficult to
- 4 arrive at comprehensive and widely accepted statements, and be it further
- 5 *Resolved*, That in honoring the divine gift of free will to all children of God, we cannot and will
- 6 not attempt to control the behavior of others; however, we accept the Church's responsibility to
- 7 offer the values and guidance that enable individuals to avoid or heal relationships which are
- 8 exploitative and hurtful and to seek and create relationships which are life-giving and grace filled;
- 9 and be it further
- 10 *Resolved*, That we foster a greater awareness that, even when using protection, sexual activity can
- 11 result in unwanted pregnancy leading to difficult decisions regarding marriage, adoption or
- 12 abortion, and be it further
- 13 *Resolved*, That the Church continue the discussion of the possible life-determining consequences
- 14 of irresponsible sexual activity which affect the physical, emotional and spiritual well-being of the
- 15 individual; and be it further
- 16 *Resolved*, That we affirm the teaching of the House of Bishops Pastoral Study Document
- 17 "Continuing the Dialogue," (Guideline #7, page 94): "We view as contrary to the Baptismal
- 18 Covenant, and therefore morally unacceptable, sexual behavior which is adulterous, promiscuous,
- 19 abusive, or exploitative in nature, or which involves children or others incapable of informed,
- 20 mutual consent and understanding the consequences of such a relationship."; and be it further
- 21 *Resolved*, That we recognize that all people are children of God and those who fall short in their
- 22 attempt to live by these teachings have a full and equal claim upon the love, pastoral care and
- 23 concern of the Church.

Explanation

Members of Executive Council are called to provide unity and leadership in the Church. We believe a strong statement outlining the aspects of sexuality and relationships where we are united in our beliefs is needed and within our ability to produce. Executive Council may be the only place where this can be accomplished. We have attempted to draft a statement that expresses those common beliefs in this resolution.

F. REPORT ON “DIALOGUE WITH THE CHURCH PENSION GROUP”

MEMBERSHIP

The Very Rev. M.L. Agnew, Jr. (Province VII) *Chair*
Mr. John L. Harrison, Jr. (Province III)
Mr. John D. McCann (Province IV)
Miss Virginia Norman (Province IX)
Mr. Timothy D. Wittlinger (Province V)

At the Providence, Rhode Island meeting of the Executive Council of the Episcopal Church, the Presiding Bishop established a committee from within the Council to study the alleged “extravagant compensation packages for the Church Pension Group Senior Management, irregular accounting principles, risky investments, relocation costs and morale problem among staff and trustees”. The committee spent twelve months examining the allegations through reading the Annual Reports, special presentations of the CPG Executive Committee and individual members of the leadership team, written correspondence and personal conversations with critics of the CPG, and with those charged to manage the Fund and the affiliates. The committee’s goal from the outset was to contribute to the restoration of the trust level between client and management, and to communicate thoroughly and accurately the information that was given to us.

The committee felt that there were two general areas of concern to focus on: 1) the specific questions of management philosophy and the determination of the actual administrative and operating expenses since 1990 (the Blanchard administration); and 2) systemic issues (these dealt primarily with the working method of the CPG Board, its accountability, and the relationship between the trustees and the wider church).

In summary, the committee concluded that the trustees are dedicated, devoted servants of the church and responsible stewards of the assets under their management. The CPG trustees are aware of the issues presented through the numerous meetings and conversation with the EC Committee, and are committed to continued dialogue directed toward a workable, pastoral, compassionate, and responsible resolution of these issues.

(All documentation gathered through this dialogue is available through the Chair, the Very Rev. M.L. Agnew, Jr., 908 Rutherford Street, Shreveport, Louisiana.)

G. COMMITTEES OF COUNCIL

The Executive Council has created eight (8) committees which report to Council through one of its three Standing Committees. Several of these committees are reporting in this 1997 Blue Book because the work they are doing has been of special interest in this triennium.

Other committees created by Executive Council or General Convention report to both Executive Council and General Convention through Council’s Blue Book report. Resolutions that follow have not been considered or approved by Executive Council.

The Audit Committee of the Executive Council

MEMBERSHIP

The Rt. Rev. David C. Bowman
Mr. Vincent Currie, Jr.
Ms. Toni Gilbert, *Chair*
Mr. John F. Keydel
Mr. John D. McCann
Mr. Peter Ng

Recognizing the need for an active, hands-on Audit Committee, it was decided that meetings would be scheduled quarterly each year, and that the committee would work closely with both internal and external auditors, functioning as independently from the church's financial offices as possible. Early in the Triennium, it was deemed appropriate for the Executive Council to establish an official Audit Committee of Executive Council, including a provision for same in its by-laws. Previously, the only such provision existed in the Joint Rules of Order. This having been accomplished, the Audit Committee designed and implemented its own Charter (8/21/95) which outlines committee organization, purpose, and responsibilities, and serves as a guideline for its ongoing work.

In concert with the Standing Committee on Administration & Finance and the staff in the Treasurer's Office of the DFMS, new external auditors, Arthur Andersen and Company, were selected for the Society. The Audit Committee received the audited financial statements for 1994 and 1995, and anticipates receipt in May, 1997, of the 1996 report, which will be referred to the General Convention through the Joint Standing Committee on Program, Budget & Finance, on Audit Committee recommendation.

The Executive Council Racial/Ethnic Ministries Committee

MEMBERSHIP

Asian American Representatives

The Rev. Dr. James T. Codera (Massachusetts)
Mrs. Florence Munoz (Los Angeles)

Black American Representatives

Dr. Kenyon C. Burke (Newark)
The Rev. Nelson Foxx (Massachusetts)
Ms. La'Tonya Johnson (New Jersey)

Hispanic Representatives

Ms. Nitza Milagros Escalera (New York)
Mr. Alejandro Montes (Texas)
The Rev. Uriel Osnaya (Texas)

Native American Representatives

The Rev. Carol Gallagher (Delaware)

Mr. Robert McGhee (Central Gulf)

Mr. Frank Oberly (Oklahoma)

Native Hawaiiin Representatives

Ms. Alberta Pualani Hopkins (Hawaii), *Chair*

Member At Large

Mrs. Jamel Shimpfky (El Camino Real)

Executive Council Liaison

Judy Conley (Iowa)

The Racial/Ethnic Ministries Committee was created by the Executive Council as the Multicultural Ministries Committee to replace the individual racial/ethnic commissions that were dissolved following their final meetings in December 1994. Although funded for the entire 1995-1997 triennium, the committee was not appointed until April 1995 and was unable to meet until September of that year when it had its organizational meeting in New York. Since then the committee has met in Houston in March 1996 and Minneapolis in September 1996, and a fourth meeting is planned for March 1997. At each meeting committee members interact with local racial/ethnic congregations. Three issue-oriented subcommittees - Ordained Ministry Issues; Christian Education, Spiritual Formation and Evangelism; and Lay Leadership Development and Stewardship - carry on the work of the committee between the meetings of the entire group.

The committee's name was selected as a straightforward description of our mission; i.e., to achieve the full and equal participation of all races and ethnicities in the life of the Episcopal Church. Our principal areas of concern include the identification and training of lay and ordained leadership in a manner consistent with our varied cultural heritages. In the area of ministry development, we seek to identify, encourage, and share the use of models and materials that are appropriate to our racial/ethnic identities. The committee's mandate is not programmatic; rather, it is to identify and discuss key issues and to make recommendations to the church through the Executive Council. In this process the committee works collaboratively with other relevant bodies of the church, such as Justice, Peace and Integrity of Creation; the Episcopal Asiamerica Council; the Urban Caucus and the Union of Black Episcopalians; the Episcopal Council on Indian Ministries, and Hispanic congregations. Committee members have attended events sponsored by these bodies as well as the Boot Camp for Angels.

Concrete steps taken so far towards the realization of the committee's mandate include a national consultation around issues of identification, training, and deployment of ordained persons from our racial/ethnic constituencies, and a detailed analysis and response to the draft report on the proposed re-structuring of the church. The committee has also participated in planning the 1997 JPIC Summit and the Presiding Bishop's Ad Hoc Task Force on Racism. In 1997 the committee will convene a larger consultation around ordination issues, and also address concerns about lay leadership development and the nurturing of youth and stewardship, including that of the environment which provides the essential spiritual base for all our people. The committee also plans a systematic analysis and response to the impact of racism on all of the issues that concern us.

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The Racial/Ethnic Ministries Committee provides an opportunity for representatives of the Asian, Black, Hispanic, and Native American/Hawaiian constituencies to work together to address common concerns and to strengthen and support the work of our own constituencies. While it was intended to replace the individual racial/ethnic commissions, it cannot replicate their functions, and the committee recognizes the profound impact of the dissolution of the commissions. The racial/ethnic desks of the national church and their constituencies have had to make extraordinary efforts to maintain the networks necessary to keep the national church responsive to the needs of the people.

Although the committee got off to a late start because it was not convened until the last quarter of 1995, much has been accomplished during its first twelve months of life. The committee has earnestly engaged in the struggle to work together in the face of our cultural differences and to respect the diversity that each of us brings to our common table. The committee is beginning to reap the rewards of its efforts. It has identified a common approach to issues that affect its constituencies across the board. This is a unique network that is available nowhere else within the church structure, and it helps to empower those the committee represents.

We therefore recommend strongly a three year continuation of this committee. The committee also urges Executive Council to consider very seriously our concerns regarding the proposed restructuring of the church because of its profound impact on our constituencies and other marginalized populations of the church.

Resolution A033 Racial/Ethnic Ministry Development

- 1 *Resolved*, the House of _____ concurring, That the Episcopal Church of the United States of
- 2 America examine the overall structure of ministry development, especially the entire ordination
- 3 process from discernment through theological education to recommendation for ordination, as to
- 4 its effectiveness in achieving the original intent of the canons (and Articles of Religion) that all
- 5 aspects of ministry be open to everyone; and be it further
- 6 *Resolved*, That the Racial Ethnic Ministries Committee (formerly the Multicultural Commission)
- 7 be requested to monitor actions and progress of this resolution and report to the next General
- 8 Convention.

Explanation

The way of Anglicanism states that everyone has the right and duty to order the catholic faith according to the culture and traditions found within the context of our communities (Articles of Religion XXIV and XXXIV) To this end, current procedures and practices in ministry development and the ordination process should be examined and restructured to insure that:

- entities dealing with these issues reflect proportionally the diversity of the mission field;
- appropriate procedures for support, advocacy, mentoring, and the addressing of grievances be made available;
- alternative training tracks that emphasize educational equivalence and cultural and contextual relevance be encouraged; and that
- racial/ethnic communities be enabled in their search for economical quality theological leadership.

The Executive Council Committee on Trust Funds

MEMBERSHIP

John S. Goldthwait, *Chair*
Mrs. Joyce Philips Austin
Mr. Stephen C. Duggan, DFMS Treasurer
Mr. Dall Forsythe
Mr. Richard H. Gillons
Ms. Elizabeth Hill
Mr. Alfred C. Jones, III
Ms. Catherine A. Lynch, CFA, DFMS Assistant Treasurer
The Rev. Barnum McCarty
Mr. W.B. McKeown
Mr. Timothy D. Wittlinger, A&F Liaison

The Committee on Trust Funds reports to Executive Council annually, recommending appropriate investment objectives, strategies, and policies for the management of the investment portfolio which includes the trust funds of our official corporation, the Domestic and Foreign Missionary Society of the Protestant Episcopal Church in the United States (DFMS). These trust funds, which number approximately one thousand, are maintained in a common investment portfolio managed by professional money managers and participate in a pro-rata basis in all returns to that portfolio (the 38 charitable remainder trusts are separately invested as required by law).

The regular trust funds are of three types: (1) trust funds which were established for the benefit of DFMS and for which DFMS is Trustee; (2) trust funds which were established for the benefit of other Episcopal and Anglican entities in the United States and abroad, for which the DFMS is trustee; and (3) "custodial" trust funds, which represent moneys placed with the DFMS endowment portfolio for investment management by Episcopal and Anglican entities in the United States and abroad (these funds are carried as liabilities on the DFMS balance sheet).

During 1996, the Committee on Trust Funds undertook an extensive review of the trust funds' investment management process, and determined to seek a new investment consultant to support the committee and the Treasurer's Office in three critical areas: designing and implementing a prudent investment policy to meet the needs of the trust funds' beneficiaries, monitoring the performance of the investment managers for the trust funds portfolio, and seeking out and hiring new investment managers for the portfolio as necessary. A subcommittee of the Committee on Trust Funds undertook an extensive search process and hired Evaluation Associates (EA), of Stamford, Connecticut, in August 1996.

The committee and EA then embarked on an in-depth review of the trust funds' asset allocation policy, to determine what allocation of funds among different types of assets would be most likely to meet the investment objectives with regard to return requirements and acceptable volatility (risk) levels. The existing allocation of 65% to stocks and 35% to bonds was demonstrated to be unlikely to be able consistently to meet those objectives in the future. It was further determined

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that it would be difficult to meet the rate of return within acceptable volatility constraints; it was determined that a higher allocation to equity investments would be required to earn close to the targeted rate of return with acceptable volatility, and that the existing money manager roster would require revision. (The decisions regarding asset allocation and the manager roster are expected to be finalized and implemented early in 1997.)

	<i>Market value of the Trust Funds at December 31</i>	<i>Annualized total return (see note 1)</i>
1991	139,489,480	28.2
1992	149,662,573	7.9
1993	165,047,128	15.2
1994	154,445,571	(3.0)
1995	181,706,358	24.7

Note: Annualized return figures calculated by Wellesley Group for 1991 through 1995.

H. BODIES CREATED BY EXECUTIVE COUNCIL, REPORTING TO COUNCIL AND THROUGH COUNCIL TO GENERAL CONVENTION

Presiding Bishop's Fund for World Relief

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