

General Convention of The Episcopal Church 2022 Archives' Research Report

Resolution No.: 2022-A113
Title: Amend Canon I.4.3 on Term of Office of the Audit Committee
Proposer: Standing Commission on Structure, Governance, Constitution and Canons
Topic: Canons, Fiscal Responsibility

Directly Related: (Attached)

2015-A004 Amend Canon I.4 [Of the Executive Council]
2012-A121 Amend Canon I.4.3(g) [Executive Council Audit Committee]
2009-A116 Amend and Renumber Canon I.4.3 [Add new paragraph (g) on Audit Committee] Delete Joint Rule 11

Indirectly Related: (Available in the [Acts of Convention](#) database, searchable by resolution number)

2006-A003 Amend Joint Rule 11 [Audit Committee]

In preparing this report, the Archives researched the resolutions in the Acts of Convention database for the period 1973 through 2018, selecting “direct” resolutions that have a substantive bearing on the proposed legislation. The “direct” resolutions are attached and “indirect” resolutions are available in the Acts of Convention database. Committee members who require other research assistance should contact the Archives through the [Research Request Form](#) or call 800-525-9329.

A113 - Amend Canon I.4.3 on Term of Office of the Audit Committee

Final Status: Not Yet Finalized

Proposed by: Standing Commission on Structure, Governance, Constitution and Canons

Requests New Interim Body: No

Amends C&C or Rules of Order: Yes

Has Budget Implications: No

Cost:

HiA: HB

Legislative Committee Currently Assigned: 02 - Constitution & Canons

Completion Status: Incomplete

Latest House Action: N/A

Supporting Documents: No

Resolution Text

Resolved, the House of _____ concurring,

That the 80th General Convention amend Canon I.4.3 to read as follows.

Sec. 3. Upon joint nomination of the Chair and the Vice-Chair, the Executive Council shall elect an Audit Committee of the Council and the Domestic and Foreign Missionary Society. The Committee shall be composed of six members: one from the Executive Council committee with primary responsibility for financial matters; one from the Joint Standing Committee on Program, Budget, and Finance; and the remaining four from members of the Church-at-large having experience in general business and financial practices. The members shall serve for a term of ~~three years~~ beginning on January 1 following ~~the~~ a regular meeting of the General Convention *at which elected* or immediately following their appointment, whichever comes later, and ~~continue~~ *continuing through December 31 following the adjournment of the next regular meeting of the General Convention* or until a successor is appointed, and may serve two consecutive terms, after which a full *interval between regular meetings of the General Convention* ~~triennium~~ must elapse before being eligible for reelection. Annually the Audit Committee shall elect a Chair of the Committee from among its members. The Audit Committee shall regularly review the financial statements relating to all funds under the management or control of the Council and the Domestic and Foreign Missionary Society and shall report thereon at least annually to the Council.

Explanation

Current Canon I.4.3 provides a three-year term of office for members of the Audit Committee of the Domestic and Foreign Missionary Society, and for their election by the Executive Council. The postponement of the 80th General Convention from 2021 to 2022 exposed a problem with terms of office fixed at a certain number of years rather than by intervals between regular meetings of the General Convention. The Commission found that tying the expiration of terms of office to the adjournment of a subsequent regular meeting of the General Convention – whenever it may in fact occur - would be a sounder way to structure them – and avoid questions and concerns about when a term of office expires in the event of the postponement of a regular meeting of the General Convention.



Resolution Number: 2015-A004
Title: Amend Canon I.4 [Of the Executive Council]
Legislative Action Taken: Concurred as Substituted and Amended
Final Text:

Resolved, That Title I, Canon 4, Sections 1-5, be stricken in their entirety and replaced to read as follows:

Sec. 1 (a) There shall be an Executive Council of the General Convention (which Council shall generally be called simply the Executive Council, or the Council) whose duty it shall be to oversee the execution of the program and policies adopted by the General Convention. The Executive Council shall have oversight of the work done by the Domestic and Foreign Missionary Society in its capacity as its Board of Directors. The Council shall have oversight responsibility for the disposition of the funds and other property of the Domestic and Foreign Missionary Society in accordance with the provisions of this Canon and the resolutions, orders, and budgets adopted or approved by the General Convention. The Executive Council shall also have oversight responsibility for the work of the Office of General Convention and the Executive Officer of General Convention who shall report directly to the Executive Council. It shall also have oversight responsibility for the disposition of the moneys of the Office of General Convention. The Council shall adopt procedures it deems appropriate for approval of expenditures by the Domestic and Foreign Missionary Society and the Office of General Convention.

(b) The Executive Council shall be accountable to the General Convention and shall render a full, published report concerning the work of the bodies for which it has oversight responsibility to each meeting of the General Convention. The report shall include information on the implementation of all resolutions adopted in the previous General Convention calling for action by the Executive Council, the Domestic and Foreign Missionary Society, and the Office of General Convention.

(c) 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 work as it may deem necessary. Subject to the provisions of these Canons, it may enact By-laws for its own government and enact procedures for its own committees.

(d) The Executive Council shall be composed (a) of 20 members elected by the General Convention, of whom four shall be Bishops, four shall be Presbyters or Deacons, and 12 shall be Lay Persons who are confirmed adult communicants in good standing (two Bishops, two Presbyters or Deacons, and six Lay Persons to be elected by each subsequent regular meeting of the General Convention); (b) of 18 members elected by the Provincial Synods; (c) of the following ex officio members: the Presiding Bishop and the President of the House of Deputies; and (d) the Chief Operating Officer, the Secretary, the Treasurer of the General Convention, the Chief Financial Officer of the Domestic and Foreign Missionary Society, and the Chief Legal Officer of the Executive Council, all of whom shall have seat and voice but no vote. Each Province shall be entitled to be represented by one Bishop or Presbyter or Deacon canonically resident in a Diocese which is a constituent member of the Province and one Lay Person who is a confirmed adult communicant in good standing of a Diocese which is a constituent member of the Province, and the terms of the representatives of each Province shall be so rotated that two persons shall not be simultaneously elected for equal terms.

(e) The Executive Council shall appoint a committee from among its members to assist the Council to (i) advise the Joint Standing Committee on Nominations and the Provincial Councils on what skills, gifts and experience are needed on the Executive Council to enable it to function with maximum effectiveness, and whether those skills are at that time represented on the Executive Council, and (ii) create a description of the skills, gifts and experience requisite for service on the Executive Council, including the value of cultural and geographic diversity on the Council and the value of including historically underrepresented voices in the governance of the Church.

(f) Of the Executive Council members elected by the General Convention, the Bishops shall be elected by the House of Bishops subject to confirmation by the House of Deputies, and the Presbyters or Deacons and Lay Persons shall be elected by the House of Deputies subject to confirmation by the House of Bishops.

(g) Except in the case of members initially elected for shorter terms in order to achieve rotation of terms, the terms of office of the members of the Council (other than ex officio members) shall be equal to twice the interval between regular meetings of the General Convention. The terms of office of all members shall commence immediately upon the adjournment of the General Convention at which they were elected or, in the case of election by a Synod, upon the adjournment of the first regular meeting of General Convention following such election. The term of a member shall become vacant in the event of two absences from meetings of the Council in the interval between successive regular meetings of the General Convention unless excused by the Chair or Vice Chair for good cause. Members shall remain in office until their successors are elected and qualified. No person who has served at least three consecutive years on the Executive Council shall be eligible for immediate re-election for a term of more than three years. After any person shall have served six consecutive years on the Executive Council, a period of three years shall elapse before such person shall be eligible for re-election to the Council.

(h) Should any vacancy occur in the Council through death, resignation, disability, or other reason, with respect to a member elected by the General Convention, the Council shall fill such vacancy by the election of a suitable person to serve until a successor is elected by the General Convention.

(i) Should any vacancy occur in the Council through the failure of any Provincial Synod to elect a member, or through the death, resignation, or removal from the Province of any such member, the Provincial Council of the Province shall appoint a suitable person to serve until the Provincial Synod shall by election fill the vacancy.

Sec. 2. (a) The Presiding Bishop shall, ex officio, be the Chair and chief executive officer of the Executive Council, and as such, shall have ultimate responsibility for the oversight of the work of the Executive Council in the implementation of the ministry and mission of the Church as may be committed to the Executive Council by the General Convention.

(b) The President of the House of Deputies shall, ex officio, be the Vice- Chair of Executive Council.

(c) The Secretary of the General Convention shall be ex officio the Secretary of the Executive Council.

(d) The Treasurer of the General Convention shall be ex officio the Treasurer of the Executive Council.

(e) The Chair shall preside at meetings of the Council, shall perform such other duties as are customary for such office, and shall perform such other duties as may be conferred by Canon and the By-laws of the Council. In the absence of or at the request of the Chair, the Vice- Chair shall preside at meetings of the Council and shall perform such other duties as may be conferred by Canon and by the By-laws of the Council.

(f) Upon joint nomination by the Chair and the Vice-Chair, the Council shall appoint a Chief Operating Officer who shall serve at the pleasure of, and report and be accountable to, the Chair. If a vacancy should occur in the office of the Chief Operating Officer, a successor shall be appointed in like manner.

(g) Upon joint nomination by the Chair and the Vice-Chair, the Council shall appoint a Chief Financial Officer who shall serve at the pleasure of, and report and be accountable to, the Chair. If a vacancy should occur in that office, a successor shall be appointed in like manner.

(h) Upon joint nomination by the Chair and the Vice-Chair, the Council shall appoint a Chief Legal Officer who shall function as general counsel and serve at the pleasure of, and report and be accountable to, the Chair. If a vacancy should occur in that office, a successor shall be appointed in like manner.

(i) The Chief Operating Officer, the Chief Financial Officer, and the Chief Legal Officer of the Executive Council shall participate in an annual performance review conducted by the Chair, the results of which will be presented to the Executive Committee of the Executive Council.

(j) The Officers of the Domestic and Foreign Missionary Society and the Officers of the Executive Council, and a committee of six members of Executive Council who are not officers, shall engage in a mutual ministry review every eighteen months, facilitated by a consultant selected by the Chair and the Vice-Chair.

(k) The Council shall elect the Church's members of the Anglican Consultative Council (ACC) and of other Anglican and ecumenical bodies for which no other procedure is provided in the Canons. Members of the ACC representing The Episcopal Church shall report to each General Convention using the schedule and format required for Standing Commissions in these Canons, and shall provide comprehensive written reports to Executive Council at the Council's next meeting following each meeting of the ACC.

Sec. 3. Upon joint nomination of the Chair and the Vice-Chair, the Executive Council shall elect an Audit Committee of the Council and the Domestic and Foreign Missionary Society. The Committee shall be composed of six members: one from the Executive Council committee with primary responsibility for financial matters; one from the Joint Standing Committee on Program, Budget, and Finance; and the remaining four from members of the Church-at-large having experience in general business and financial practices. The members shall serve for a term of three years beginning on January 1 following a regular meeting of the General Convention or immediately following their appointment, whichever comes later, and continue until a successor is appointed, and may serve two consecutive terms, after which a full triennium must elapse before being eligible for re-election. Annually the Audit Committee shall elect a Chair of the Committee from among its members. The Audit Committee shall regularly review the financial statements relating to all funds under the management or control of the Council and the Domestic and Foreign Missionary Society and shall report thereon at least annually to the Council. Upon recommendation of the Audit Committee, the Executive Council shall employ on behalf of the Council and the Domestic and Foreign Missionary Society an independent Certified Public Accountant firm to audit annually all accounts under the management or control of the Council and Domestic and Foreign Missionary Society. After receipt of the annual audit, the Audit Committee shall recommend to the Council and the Domestic and Foreign Missionary Society what action to take as to any matters identified in the annual audit and accompanying management letter. The responsibilities of the Audit Committee shall be set out in an Audit Committee Charter. The Audit Committee shall review, at least annually, the Committee's Charter and recommend any changes to the Executive Council for approval.

Sec. 4. The Executive Council may establish by its By-laws Committees and ad hoc working groups or task forces, which may include or consist of non-members, to be nominated jointly by the Chair and Vice-Chair and appointed by the Council, as may be necessary to fulfill its

fiduciary responsibility to the Church. All Committees and ad hoc working groups and task forces of Executive Council will cease to exist at the close of the next General Convention following their creation unless extended by Executive Council. Executive Council may revoke, rescind, or modify the mandate or charter of all Executive Council Committees, ad hoc working groups and task forces not otherwise created by Canon.

Sec. 5. (a) The Council shall meet at such place, and at such stated times, at least three times each year, as it shall appoint and at such other times as it may be convened. The Council shall be convened at the request of the Chair, or on the written request of any five members of Council.

(b) A majority of the elected members of the Council shall be necessary to constitute a quorum at any meeting of the Council. No action shall be taken in the name of the Council except when a quorum, so defined, is present and voting. A member may participate in, and vote at, Council meetings by means of technology where all participants may hear one another simultaneously and according to procedures and guidelines set forth in the Council By-laws.

(c) Members of Executive Council shall be entitled to reimbursement for their reasonable expenses of attending meetings, in accordance with procedures established and approved by Executive Council. Except as determined by General Convention, the salaries of all officers of the Council and of all agents and employees of the Council and the Domestic and Foreign Missionary Society shall be fixed by the Council.

Citation: General Convention, *Journal of the General Convention of...The Episcopal Church, Salt Lake City, 2015* (New York: General Convention, 2015), pp. 349-356.



Resolution Number: 2012-A121
Title: Amend Canon I.4.3(g) [Executive Council Audit Committee]
Legislative Action Taken: Concurred
Final Text:

Resolved, That Canon I.4.3(g) is amended as follows:

(g) Upon joint nomination of the Chair and Vice Chair, the Executive Council shall elect a Joint Audit Committee of the Council and the Domestic and Foreign Missionary Society. The Committee shall be composed of 6 members, one of whom shall be a member of the Executive Council's ~~Committee on Administration & Finance~~ *Standing Committee with primary responsibility for financial matters*, one from the membership of the Joint Standing Committee on Program, Budget and Finance, and the remaining four shall be members of the Church-at-large, having experience in general business practices. The members shall serve for a term of three years beginning on January 1 following a regular meeting of the General Convention or immediately following their appointment, whichever comes later, and continue until a successor is appointed, and may serve two consecutive terms, after which a full triennium must elapse before being eligible for re-election. The Chair and Vice-Chair of Council shall designate the Chair of the Committee from among its members. The Audit Committee shall regularly review the financial statements relating to all funds under the management or control of the Council and the Society and shall report thereon at least annually to the Council and the Society.

Upon recommendation of the Audit Committee, the Executive Council shall employ on behalf of the Council and the Society an independent Certified Public Accountant firm to audit annually all accounts under the management or control of the Council and Society. After receipt of the annual audit, the Audit Committee shall recommend to the Council and Society what action to take as to any matters identified in the annual audit and accompanying management letter. The operations of the Audit Committee shall be set out in an Audit Committee Charter. The Audit Committee shall review, at least annually, the Committee's Charter and recommend any changes to the Executive Council for approval.

Citation: General Convention, *Journal of the General Convention of...The Episcopal Church, Indianapolis, 2012* (New York: General Convention, 2012), pp. 251-252.



Resolution Number: 2009-A116
Title: Amend and Renumber Canon I.4.3 [Add new paragraph (g) on Audit Committee]Delete Joint Rule 11
Legislative Action Taken: Concurred as Amended
Final Text:

Resolved, That Canon I.4.3 is hereby amended by adding a new subsection (g), with succeeding subsections to be re-lettered, to read as follows:

Sec. 3(g) Upon joint nomination of the Chair and Vice-Chair, the Executive Council shall elect a Joint Audit Committee of the Council and the Domestic and Foreign Missionary Society. The Committee shall be composed of six members, one of whom shall be a member of the Executive Council's Committee on Administration and Finance, one from the membership of the Joint Standing Committee on Program, Budget and Finance, and the remaining four shall be members of the Church-at-large, having experience in general business practices. The members shall serve for a term of three years beginning on January 1 following a regular meeting of the General Convention or immediately following their appointment, whichever comes later, and continue until a successor is appointed, and may serve two consecutive terms, after which a full triennium must elapse before being eligible for re-election. The Chair and Vice-Chair of Council shall designate the Chair of the Committee from among its members. The Audit Committee shall regularly review the financial statements relating to all funds under the management or control of the Council and the Society and shall report thereon at least annually to the Council and the Society.

Upon recommendation of the Audit Committee, the Executive Council shall employ on behalf of the Council and the Society an independent Certified Public Accountant firm to audit annually all accounts under the management or control of the Council and Society. After receipt of the annual audit, the Audit Committee shall recommend to the Council and Society what action to take as to any matters identified in the annual audit and accompanying management letter. The operations of the Audit Committee shall be set out in an Audit Committee Charter. The Audit Committee shall review, at least annually, the Committee's Charter and recommend any changes to the Executive Council for approval.

And be it further

Resolved, That all of the current members of the Audit Committee have their respective terms extended until December 31, 2009; and be it further

Resolved, That the Joint Rules of Order are hereby amended by deleting Rule 11.

Citation: General Convention, *Journal of the General Convention of...The Episcopal Church, Anaheim, 2009* (New York: General Convention, 2009), pp. 390-391.