

General Convention of The Episcopal Church 2022 Archives' Research Report

Resolution No.: 2022-C002
Title: Episcopal Church Canon Concerning Financial Affairs – Title I, Canon 7.1.f
Proposer: Idaho
Topic: Canons

Directly Related: (Attached)

2018-A077 Refer a Resolution to Amend Canon I.7.1(a) [Provinces to Be Audited] (Referred)
1979-A123 Amend Canon I.6.5 [Audit of Church Institutions]

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

1997-D084 Amend Canon I.7.1 [Standard Business Methods for Provinces]

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.

C002 - Episcopal Church Canon Concerning Financial Affairs – Title I, Canon 7.1.f

Final Status: Not Yet Finalized

Proposed by: Idaho

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 Diocese of Idaho recommend to the 80th General Convention of the Episcopal Church, that Title I, Canon 7.1.f of the Constitution and Canons of The Episcopal Church be amended to read as follows:

f. All accounts of the Diocese shall be ~~audited~~ *reviewed* annually *and audited at least every three years* by an independent Certified Public Accountant. All accounts of Parishes, Missions or other institutions shall be audited annually by an independent Certified Public Accountant, or independent Licensed Public Accountant, or such audit committee as shall be authorized by the Finance Committee, Department of Finance, or other appropriate diocesan authority.

Explanation

The Constitutions and Canons of the Episcopal Church, Title I, Canon 7.1.f, of the General Canons concerning “Of Business Methods of Church Affairs” requires annual CPA audits of the Dioceses. The Diocese of Idaho believes that such a mandatory annual expense of energy and funds is an undue burden to small dioceses. Permitting CPA audits up to every third year would allow dioceses to build up reserve funds for an audit, while performing less formal annual financial reviews during the intervening period.



Resolution Number: 2018-A077
Title: Refer a Resolution to Amend Canon I.7.1(a) [Provinces to Be Audited]
Legislative Action Taken: Referred
Final Text:

Resolved, That Canon I.7.1(a) of the Canons is hereby amended to read as follows:

Sec. 1. In every Province, Diocese, Parish, Mission and Institution connected with this Church, the following standard business methods shall be observed:
(a) All accounts of Provinces shall be audited annually by an independent certified public accountant, or independent licensed accountant, or such audit committee as shall be authorized by the Provincial CouncilProvince. The Audit Report shall be filed with the Provincial-Council Leadership and the Executive Council not later than September 1 of each year, covering the preceding calendar year.

Citation: General Convention, *Journal of the General Convention of...The Episcopal Church, Austin, 2018* (New York: General Convention, 2018), p. 380.



Resolution Number: 1979-A123
Title: Amend Canon I.6.5 [Audit of Church Institutions]
Legislative Action Taken: Concurred As Substituted and Amended
Final Text:

Resolved, That Title I, Canon 6, Section 1 [sic] be hereby amended to read as follows:

All accounts of the Diocese shall be audited annually by an independent Certified Public Accountant. All accounts of Parishes, Missions, or other institutions shall be audited annually by an independent Certified Public Accountant, or independent Licensed Public Accountant, or such audit committee as shall be authorized by the Finance Committee, Department of Finance, or other appropriate diocesan authority.

All reports of such audits, including any memorandum issued by the auditors or audit committee regarding internal controls or other accounting matters, together with a summary of action taken or proposed to be taken to correct deficiencies or implement recommendations contained in any such memorandum, shall be filed with the Bishop or Ecclesiastical Authority not later than 30 days following the date of such report, and in no event, not later than September 1 of each year covering the financial reports of the previous calendar year.

Citation: General Convention, *Journal of the General Convention of...The Episcopal Church, Denver, 1979* (New York: General Convention, 1980), p. C-14.