

EXCERPTS FROM  
DIOCESAN CANONS

CANON XI (Parishes)

Sec. 11.22 Other Officers

A Secretary and a chief financial officer with the title of Treasurer shall be elected at an organizational meeting of the Vestry immediately following the annual parish meeting and shall serve until their successors are elected. Such officers need not be members of the Vestry. They shall have the powers and duties prescribed in these Canons and in the bylaws of the parish. The Treasurer shall be bonded in an amount and by a surety approved by the Vestry.

Sec. 11.23 Corporate Officers

The corporate officers of a parish shall consist of the rector who shall be the President, the senior warden who shall be First Vice President, and junior warden who shall be Second Vice President, the Secretary, and the Treasurer who shall be chief financial officer of the parish corporation.

CANON XIX (Business Practices in Church Affairs)

Sec. 19.01 Transfer or Encumbrance

No vestry, trustee or other body authorized by civil or canon law to hold, manage or administer real property for any parish, Diocesan institution or other organization connected or affiliated with the Diocese, shall transfer, lease for a term exceeding one year or encumber such real property or any part thereof without first obtaining the written consent of the Bishop and Standing Committee. In the case of real property held by the Corporation Sole for a mission over which the Diocesan Council has general supervision, the prior consent and authorization of the Bishop and Diocesan Council shall be required for any transfer, lease for a term exceeding one year or encumbrance, except that when the property contains a consecrated church or chapel, or a church or chapel which has been used solely for divine services, the prior consent of the Bishop and Standing Committee shall be required.

Sec. 19.02 Exceptions

The prior consent of the Bishop and Standing Committee to an encumbrance is not required in the following cases:

- (a) An encumbrance of property of a parish other than a consecrated church or chapel to secure indebtedness incurred for permanent improvements, replacements, additions, fixtures or equipment of a capital nature when the amount of such indebtedness, plus all other indebtedness then existing, does not exceed 150 percent of the average annual receipts of the parish during the three preceding calendar years;
- (b) Indebtedness incurred by the Corporation Sole which has been authorized by Diocesan Council for the use or benefit of a mission;
- (c) Indebtedness incurred by a general hospital or by an institution writing life-care contracts for the elderly.

Sec. 19.03 Trust

All real and personal property held by or for the benefit of any parish, mission or other congregation is held in trust for The Episcopal Church and the Diocese of California. The existence of this trust, however, shall not limit the authority of the parish, mission or congregation otherwise existing over such property, except as may be specified in these Canons, so long as the particular parish, mission or congregation remains a part of, and subject to, The Episcopal Church, its Constitution and Canons and the Constitution and Canons of the Diocese.

Sec. 19.04 Permanent Funds

(a) Permanent funds, endowments and trust funds and securities of a parish or mission shall be deposited with a national or state bank, savings and loan association, mutual fund, professional investment advisor, the Diocesan Corporation or other agency approved by the Department of Finance, and shall be held under agreements providing for at least two signatures for withdrawal of such funds or securities. This section shall not apply to funds and securities refused by depositories as too small for acceptance; such small funds shall be under the care of the persons or corporations responsible for them.

(b) Records shall be kept of all permanent and trust funds showing source and date and terms governing the use of principal and income. The fiduciary responsible shall report the condition of such funds at each annual meeting of the parish or mission.

Sec. 19.05 Accounting Records

Books of account shall be so kept as to provide the basis for satisfactory accounting, including appropriate records of all sub-groups of a parish or mission authorized by the Vestry or Bishop's Committee to solicit, receive or disburse funds.

Sec. 19.06 Annual Audits

All accounts, including discretionary accounts, of parishes, missions or other congregations or bodies carrying out Diocesan programs shall be audited annually by a certified independent public accountant or such accounting agency or audit committee as shall be approved by the Department of Finance, provided that in auditing discretionary funds, appropriate procedures may be implemented to safeguard the confidential nature of pastorally sensitive expenditures from such funds. The Department of Finance may direct any parish, mission or other congregation to provide copies, when asked, of any and all audit reports and of any memoranda relating to internal controls, together with a summary of action taken to correct deficiencies or implement recommendations.

Sec. 19.07 Property Insurance

All buildings and their contents shall be kept adequately insured.

Sec. 19.08 Reports

The Department of Finance shall report to each Annual Convention upon its administration of its duties under this Canon.

Sec. 19.09 Personnel Practices Committee

Subject to confirmation by the Annual Convention, the Bishop shall appoint personnel practices committee which shall review existing minimum stipends and allowances and shall recommend, not less than sixty days prior to Convention, appropriate changes. In addition, the committee is charged with the ongoing education of members and organizations of the Diocese in responsible personnel practices and with recommending to Convention programs to implement such practices for both Clerics and Lay employees.

CANON XX (Health and Life Insurance, Lay Pensions)

Sec. 20.01 Group Coverage

The Diocese shall provide group coverage of the following plans of insurance:

(a) Hospital and medical; (b) Dental; (c) Long-term disability; (d) Life

Sec. 20.02 Eligibility

The following persons, and their immediate family dependents, are eligible for coverage, and premiums shall be paid as specified:

- (a) Every active Cleric, who is personally resident within the Diocese, and regularly employed 30 hours or more per week on a permanent basis, in the general work of the Church in this Diocese: premiums for such insurance to be paid by the source of the Cleric's salary;
- (b) Members of religious orders and Clerics on leave of absence authorized by the Bishop for a specific period of time: premiums to be paid by the source of ecclesiastical salary, or as directed by the Bishop;
- (c) Every retired Cleric who shall have attained age 65 and who shall have been canonically resident in this Diocese and regularly employed full time in the general work of the Diocese for the five years immediately preceding retirement, and who has ten years of credited service with the Church Pension Fund; premiums to be paid by the Diocese;
- (d) All regular, lay employees of the Diocese, of the Cathedral, parishes and missions working and paid for 30 hours or more per week on a permanent basis: premiums to be paid by the source of salary or the employing entity;
- (e) Other employees of parish and diocesan institutions that elect to participate upon such terms as may be approved by the insurer as to the employees covered and the source of the premium payments.

Sec. 20.03 Mandatory Participation

Each of the persons designated in Section 20.02 shall be covered for all coverage available under the above listed group plans to the extent required by each such plan. The source of salary shall not be required to pay that portion, if any, of the premium specified for voluntary life insurance under the group life plan.

Sec. 20.04 Voluntary Participation

(a) Upon individual application, any Cleric and his or her immediate family dependents may participate effective as of the date of canonical residence in the Diocese and upon payment of the applicable premium. Any Cleric and immediate family dependent eligible may, in the event of change of classification, continue coverage upon payment of applicable premiums so long as canonical residence is maintained.

(b) For purposes of Canon XX, immediate family dependents shall include domestic partners provided that an eligible Cleric or employee files with the Department of Finance a Statement of Domestic Partnership in the form designed by the Department of Finance.

Sec. 20.05. Administration.

The group health and life insurance plans shall be administered under the supervision of the Department of Finance, which shall have authority to grant exceptions for good cause when the terms of a particular plan so permit. The Department of Finance shall review and update plans and recommend to Diocesan Council such modifications of coverage, terms and benefits as may be appropriate.

Sec. 20.06. Personnel Practices.

The Diocese shall provide to lay and clergy employees working twenty hours or more per week and continuously employed for a minimum of ninety days a salary continuation benefits program similar to the State Unemployment Insurance Program for the benefit of those employees whose employment within the Diocese of California is discontinued for reasons beyond the control of such employee. The terms and conditions of eligibility for such coverage and the benefits provided shall be determined and administered by the Personnel Practices Committee under such rules and regulations as they may from time to time adopt, amend or modify, consistent with sound actuarial practice. The Personnel Practices Committee is authorized to determine and to recommend to Convention not less than sixty days prior to Convention the level of benefits and the assessment upon employers necessary to fund such benefits on a sound actuarial basis.

Sec. 20.07. Lay Pensions.

All regular lay employees of the Diocese, the Cathedral, parishes, and missions working and paid for twenty (20) hours or more per week on a permanent basis shall be entitled to a pension benefit equal to not less than five percent (5%) of cash salary, plus up to an additional four percent (4%) of such cash salary to the extent matched by employee contributions, such benefit to be paid by the source of salary. The source of salary may impose a minimum employment period before this benefit shall commence, not to exceed one (1) year.