

CONSTITUTION & CANONS – 148AC-R03

148th ANNUAL CONVENTION OF THE EPISCOPAL DIOCESE OF NEWARK REPORT OF THE COMMITTEE ON CONSTITUTION AND CANONS

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The Committee on Constitutions and Canons makes the following report to the 148th Convention of the Episcopal Diocese of Newark.

The Committee met via Zoom Web-conference on March 31st, 2022 to discuss two proposals submitted by the publicized deadline. Both proposals are included in this report.

***deceased**

pre-existing text is not formatted,
proposed revisions are italicized; **committee alternative revisions in bold** (with strike thru text as appropriate);

Proposed Amendment to Canon 16:
Proposed by the Standing Committee

RESOLVED, Canon 16, (The Diocesan Investment Trust) of the Diocese of Newark Canons is amended as follows:

Canon 16: (The Diocesan Investment Trust)

The management of the Diocesan Investment Trust shall be under the control of the Bishop of the Diocese, who shall be President thereof, and ~~ten (10)~~ *eight (8)* other Trustees who shall be elected by the Bishop and the Standing Committee for terms of five (5) years, *provided that no person shall be elected to serve more than two (2) full terms in succession. No Trustee elected for two full five-year terms shall be eligible for reelection to succeed him/herself but is eligible for re-election after the lapse of a year. One member of the Diocesan Investment Trust shall be an elected member of the Trustees of the Episcopal Fund and Diocesan Properties.*

In the case of a vacancy in the Episcopate, the election shall be by the Standing Committee. If a trustee leaves office without having served the full term for which he or she was elected, a successor shall be elected for the unexpired term.

~~Initially, trustees may be elected for terms of less than five (5) years, but only for the purpose of establishing a program whereby the terms of two (2) trustees shall expire each year.~~

Supporting Information:

This proposed change is submitted on behalf of the Standing Committee, the Trustees of the Diocese (“Trustees of the Episcopal Fund and Diocesan Properties) and the Trustees of the Diocesan Investment Trust.

The Diocesan Investment Trust (“DIT”) was established by convention many years ago pursuant to state law (N.J.S.A 16:12-16 et seq.) for purposes of being an investment vehicle for the Diocese, the Trustees of the Diocese, members churches and related organizations. The purpose was to provide an investment vehicle to allow for the professional management of assets. The Trustees of the Diocese are the largest single investor.

The Bishop is the President of the DIT. Trustees of the DIT are appointed by the Standing Committee currently for a term of five years. As a practical matter DIT Trustees have served for longer than five years without reappointment. This proposed change to Canon 16 attempts to bring the canonical requirements more into line with the current needs of the DIT. To that end, the proposed canonical change would:

1. Reduce the number of Trustees from 10 to 8.
2. Continue the five year (5) terms and allow new Trustees to serve for two five year terms with the requirement that Trustees step off for a one year period after the service of two consecutive terms.
3. Insure that at least one of the Trustees of the DIT was a current member of the Trustees of the Diocese given that the Trustees of the Diocese are the largest single investor in the DIT.

Existing DIT Trustees will rotate off in order of seniority to allow for the appointment of new Trustees.

The Committee recommends adoption of this amendment.

Proposed Amendment to Canon 22 (Trustees of the Episcopal Fund and Diocesan Properties):
Proposed by the Trustees of the Episcopal Fund and Diocesan Properties

RESOLVED, Canon 22 (~~Trustees of the Episcopal Fund and Diocesan Properties~~) of the Diocese of Newark Canons is amended as follows:

SECTION 1. The Trustees of the Episcopal Fund and Diocesan Properties of the Diocese of Newark (“the Trustees”) is a corporation, not for profit, duly established with duties and powers set forth in the New Jersey Statutes of the Episcopal Church (N.J.S.A. 16:12-20 to 16:12-22) and the Religious Corporations and Associations, N.J.S.A. 16-4-1. The Trustees shall consist of twelve (12) members of the church within this Diocese who shall serve for a term of five (5) years, except as set forth in Section 2 of this canon. .The Annual Convention shall elect trustees as required to fill expired terms. Lay trustees shall at all times be communicants in good standing of a congregation in the Diocese of Newark.

SECTION 2.No trustee elected for ~~a~~ two full five year terms shall be eligible for reelection to succeed him/herself. ~~but is eligible for reelection after the lapse of a year.~~

Supporting Information:

For many years Trustees were elected for “life.” While there were reasons for that length of term, the documentary history supporting how it came about and in what manner was slim. That interpretation of the length of Trustee terms was also in a time when the business of the Trustees was considerably less than it is at present.

After much debate, the Convention in 2010 voted to change the Canon to its current form with a number of protections that allowed for a long run out of the terms of the then current Trustees. One result of this long run out was that the turnover in Trustees was not felt for a number of years. As the Trustees lived into the present rotation, it has become evident that a single five year term is problematic, in that this limitation promotes frequent changes in the membership of the Trustees and limits stability in Trustee membership. With the body meeting quarterly, the learning curve is steep. Presently there are more “new” Trustees than experienced ones.

To address this issue, the Trustees propose eliminating the single term restriction in the current Section Two to allow Trustees to serve two five year terms before having to step down for new members.

The Trustees would also propose that this change be made effective as of passage at the 2022 convention.

The Committee recommends adoption of this amendment.