



EPISCOPAL DIOCESE OF MONTANA

CONSTITUTION & CANONS



CONSTITUTION OF THE EPISCOPAL DIOCESE OF MONTANA

As ratified by delegates to the 100th Diocesan Convention in Helena on September 26, 2003

PREAMBLE. We, the people of The Episcopal Diocese of Montana, exist to promote the love and worship of Almighty God through our Lord and Savior, Jesus Christ, having as our goal the fostering and nurturing of the faith through the development of Christian community by the inspiration and empowering of the Holy Spirit. We believe that the Diocese exists as a light to shine to all through its love, service, outreach and mission, for the honor and glory of the Father, Son and Holy Spirit.

ARTICLE I. NAME AND BOUNDARIES OF THE DIOCESE. This church shall be known as "The Episcopal Diocese of Montana," and shall have the same boundaries as the State of Montana.

ARTICLE II. CONFORMITY. The Episcopal Diocese of Montana accedes to the Constitution, Canons, and General Convention of The Protestant Episcopal Church in the United States of America (herein called "The Episcopal Church").

ARTICLE III. BISHOPS. The ecclesiastical authority of the Diocese shall be the Bishop, or if there is no Bishop, then the Bishop Coadjutor; if there is no Bishop Coadjutor, then the Suffragan Bishop; if there is no Suffragan Bishop, then the Standing Committee.

ARTICLE IV. DIOCESAN CONVENTION. There shall be a Diocesan Convention, in which is vested legislative authority of the Diocese, whose members and duties shall be as set forth in the Canons of this Diocese. Convention shall meet at least annually at such times and at such places as prescribed by the Canons.

ARTICLE V. STANDING COMMITTEE. There shall be a Standing Committee which shall be the ecclesiastical authority in the absence of a Bishop or a Bishop's inability to act. The Standing Committee shall have such membership and duties as prescribed by the Canons.

ARTICLE VI. DIOCESAN COUNCIL. There shall be a Diocesan Council which shall be the Board of Directors of the diocesan corporation, and shall administer the legal functions of the Diocese. It shall administer and implement all programs of the Diocese and shall have full power and authority to act for the Diocesan Convention in all matters not expressly reserved to the Diocesan Convention, and such other duties as may be prescribed by Canon. Membership of the Council shall be as set forth in the Canons of this Diocese. The Bishop shall preside over the Council, or, in his absence, the vice-president of the Council shall preside.

ARTICLE VII. CANONS. The Diocesan Convention shall have power to adopt canons not inconsistent with this Constitution, and not inconsistent with the Constitution and Canons of The Episcopal Church.

ARTICLE VIII. AMENDMENTS. Amendment of this Constitution must be adopted by two successive annual meetings of the Diocesan Convention by a majority vote of each order.

ARTICLE IX. REPEALING CLAUSE. All previous constitutions are hereby repealed.

CANONS OF THE EPISCOPAL DIOCESE OF MONTANA

CANON 1. CORPORATE STATUS

Section 1. INCORPORATION. The Episcopal Diocese of Montana shall be incorporated as a nonprofit corporation under the laws of the State of Montana.

Section 2. MEMBERSHIP. The members of the corporation shall be members in good standing, as defined in these Canons.

Section 3. BOARD OF DIRECTORS. The Diocesan Council, as provided for herein, shall, upon election, constitute the board of directors of the corporation.

Section 4. OFFICERS. The Bishop shall be the president of the corporation. The Diocesan Council shall elect a vice-president. The Diocesan Secretary and the Diocesan Treasurer shall be elected by the Diocesan Convention.

CANON 2. THE BISHOP.

Section 1. DUTIES. The Bishop shall be the chief pastor, the ecclesiastical authority, and administrator of diocesan affairs. The Bishop shall maintain an office and employ such persons as are needed to assist in the administration of the affairs of the Diocese. The Bishop shall be an ex-officio member of every subsidiary body of the Diocese.

Section 2. ELECTION AND ELECTION PROCEDURE.

- a. The Bishop Diocesan, or if there is no Bishop Diocesan, the Standing Committee acting as the Ecclesiastical Authority shall call for the election of a Bishop Diocesan to be held at an annual or a special diocesan convention when there is a vacancy in the office of the Bishop Diocesan or there will be a vacancy in the office of the Bishop Diocesan or there will be a vacancy on a date certain.
- b. If there is not a Bishop Coadjutor, then upon the announced resignation, retirement, or the death of the Bishop Diocesan, or upon receipt of written notice of the intent of the Bishop Diocesan to resign on a date certain, the Standing Committee shall within ten days convene to initiate the process for the election of a new Bishop Diocesan.
- c. The Standing Committee shall have the following responsibilities and shall:
 1. Oversee and be responsible for the process of electing a Bishop Diocesan or a Bishop Coadjutor as described in this Canon according to Article II and Canon III.11 of the Constitution and Canons of The Episcopal Church;
 2. Give notice in all appropriate publications that the Diocese is entering into an Episcopal election process and appoint a Nominating Committee pursuant to these Canons;
 3. Complete a survey of the clergy, lay persons and congregations of the Diocese and issue and publish a diocesan profile. The Standing Committee shall interview the Bishop Diocesan, if there is one, before publishing the profile;
 4. Within ten days of the announcement that there is a vacancy in the Episcopate or that there will be a vacancy on a date certain, the Standing Committee shall direct each Deanery to meet

within thirty days and elect one member of its clergy and one lay member of the Deanery, meeting the requirements stated in this Canon, to form the Nominating Committee. Upon receipt of the election results, the Standing Committee shall appoint the elected clergy and elected qualified lay persons from each Deanery, and such successors as necessary, to form the Nominating Committee required by these Canons;

5. Upon receipt of a list of nominees from the Nominating Committee the Standing Committee shall promptly evaluate those nominees following the procedures set out in the Canons. Then the Standing Committee shall publish in all appropriate written and electronic media (e.g. Diocesan web sites, parish newsletters, and Facebook listing) the list of the Standing Committee's initial slate of nominees, including all biographical information about each nominee, which may be relevant to the electors;

6. Evaluate the nominees and determine the final slate of nominees when the Nominating Committee has completed its work, including investigation and evaluation of any supplemental nominees. The Standing Committee shall then publish the names, and all relevant biographical information concerning each nominee, and direct that notice of the date, time, and place of the electing convention be provided to all clergy and congregations in the Diocese using appropriate written and electronic media;

7. Appoint a Transition Committee and appoint such other committees, consultants, and chaplains for the process as it deems appropriate;

8. Collaborate with the Nominating Committee, the Transition Committee, and the Diocesan staff to provide appropriate financial means, staff support, and facilities support for the election process, electing convention, episcopal transition, ordination and expenses of the committees;

9. Disclose all relevant information concerning the final slate of nominees to the electors. Communication within the Standing Committee, the Nominating Committee, the Chancellor(s), the Diocesan staff, and electors shall be subject to the provisions of the processes and procedures, which shall include provisions concerning confidentiality, established by the Standing Committee in conjunction with the Nominating Committee upon the Nominating Committee's appointment and organizational meeting.

10. Propose Rules of Order for the Electing Convention which shall have the President of the Standing Committee as its presiding officer;

11. Seek the necessary Episcopal and Standing Committee consents following the election.

12. Provide for the ordination of the new Bishop in collaboration with the Office of the Presiding Bishop.

d. The Nominating Committee shall have the following responsibilities and shall;

1. Subject to the supervision of the Standing Committee, determine its own processes and procedures subject to Canon 2. 2. C. 9. above;

2. Solicit nominees and obtain background investigations, including medical and psychiatric/psychological evaluations and evaluations of addictive behaviors, if any, and evaluate the qualifications of each nominee to become a Bishop of the Diocese. The Nominating Committee shall arrange interviews with the Chancellor(s) of the Diocese for each nominee who has been initially reviewed and evaluated by the Nominating Committee to potentially be on the Standing Committee's initial or final slate of nominees. Finally, it shall submit a list of proposed nominees to the Standing Committee accompanied by a written statement summarizing its investigation and evaluation of each nominee and clearly stating

the reasons why each nominee has been submitted to the Standing Committee.

e. Chancellor(s) shall interview each nominee referred by the Nominating Committee. The Chancellor(s) shall have access to the nominees' response to the latest edition of the questionnaire prepared by The Episcopal Church for the selection of the Presiding Bishop, which shall be completed by each potential nominee in the application process, prior to the interview with each candidate. The Chancellor(s) shall submit a written summary of each interview and his/her/their evaluation of each nominee to the Nominating Committee.

f. When the Standing Committee receives the report and recommendations from the Nominating Committee, the Standing Committee shall review the recommendations and evaluate the information submitted, including the medical and psychiatric evaluations, and reports of addictive behaviors, if any. It shall then evaluate each nominee and determine its initial slate of nominees. In the event the Standing Committee accepts fewer than four nominees, the Standing Committee shall direct the Nominating Committee to resume its deliberations and submit an additional nominee(s). If the Standing Committee accepts four or more initial nominees, the initial nomination slate shall be limited to those nominees. Should a proposed nominee be rejected for good cause shown, the reason(s) shall be disclosed to the nominee within three days of his or her rejection. Within five days, the proposed nominee may respond to address the concerns expressed by the Standing Committee. The Standing Committee shall consider the response and reply to the proposed nominee within five days affirming its previous decision or reconsidering the previous decision. This decision shall be final. "Good cause" shall be defined as a conclusion based only upon medical, psychiatric/psychological evaluations, reports of addictive behaviors, if any, and information resulting from the interviews with the Chancellor(s). The Standing Committee shall then publish the names and biographical information concerning the Standing Committee's initial nominations to the Diocese, announcing it in all appropriate publications, including electronic and social media.

g. Supplemental nominations may be made by petition received by the Standing Committee, within fourteen (14) days from the date of the first publication by the Standing Committee of its initial slate of nominations. In order to be considered, each petition for a supplemental nomination must be signed by at least five clergy and five lay persons. Each of the five petitioner clergy must be from separate congregations within the Diocese. Each of the five lay persons must be a confirmed adult communicant in good standing from different congregations within the Diocese. Each petition must be accompanied by all information required by the Standing Committee for initial consideration. Upon receipt of one or more properly prepared petitions, the Standing Committee shall refer the proposed supplemental nomination(s) to the Nominating Committee. The Nominating Committee shall proceed with the same investigation process set forth in this canon. Upon completion of all investigations of proposed supplemental nominees, the Standing Committee shall evaluate the report from the Nominating Committee concerning the supplemental nominee(s) and accept or reject the nominee(s) for good cause. Should a proposed nominee be rejected for good cause shown, the reason(s) shall be disclosed to the nominee within three days of his or her rejection. Within five days, the proposed nominee may respond to address the concerns expressed by the Standing Committee. The Standing Committee shall consider the response and reply to the proposed nominee within five days affirming its previous decision or reconsidering the previous decision. This decision shall be final. "Good cause" shall be defined as a conclusion based only upon medical, psychiatric/psychological evaluations, reports of addictive behaviors, if any, and information resulting from the interviews with the Chancellor(s). The Standing Committee shall then proceed to announce and publish the date, time and location of the electing convention in all appropriate publications. It shall send written biographical information concerning the final list of nominees to all clergy and lay delegates as soon as is practicable. No

nominations from the floor shall be permitted.

h. Arrangements for and notice of Rules of Order for the Electing Convention shall conform to the Rules of Order for Diocesan Convention in the Canons except as may be modified by the Special Rules of Order proposed by the Standing Committee amended and/or adopted by the electing convention.

i. The Election of a Bishop shall be by a majority of both orders at the electing convention. Lay electors for the election of a Bishop shall be restricted to delegates elected to the convention from each congregation in the Diocese as well as one youth delegate elected from each deanery and all clergy, in good standing, who are canonically and geographically resident in the Diocese.

Section 3. The Diocesan Bishop may call for the elections of a Bishop Coadjutor or Suffragan Bishop when either of these offices shall be deemed necessary. The election of Bishop Coadjutor or Suffragan Bishop shall be in the same manner as prescribed for the election of Diocesan Bishop.

CANON 3. THE DIOCESAN CONVENTION.

Section 1. DUTIES. The Diocesan Convention shall perform such duties as are required by the Constitutions and Canons of the Episcopal Church and of the Diocese of Montana, and shall take such legislative action as shall promote the welfare of the mission of Jesus Christ and The Episcopal Church in Montana.

Section 2. MEMBERSHIP.

- a. A convention, annual or special, shall be composed of two orders: clergy and lay people.
- b. Every member of the clergy in good standing, canonically and geographically resident within this Diocese, shall be entitled to a seat, voice and vote in this convention. Clergy are defined to be in good standing if they have not been granted, at their request, Release and Removal; or have not received a Sentence of Deposition, or are under a Sentence of Suspension, as a result of a Title IV proceeding under the Constitution and Canons of The Episcopal Church.
- c. Each congregation shall be entitled to lay representation to be based upon adult (age 16 and over) communicant strength in accordance with the following table:

<u>Adult Communicants</u>	<u>Delegates</u>
1 - 100	2
101 - 200	4
201 - 300	6
301 - 400	8
401 - 500	10
501 - 600	12
Over 600	14

- a. The lay delegates and alternates shall be elected by the congregation at the annual parish meeting, and shall be adult communicants in the congregation they represent. The vestry may elect alternates when necessary.
- b. Members of the Diocesan Council (and Standing Committee) shall be delegates to the convention.

- c. Lay college chaplains, the Diocesan Youth Coordinator, the Diocesan Camp Director and one youth from each Deanery shall be delegates to the convention.
- d. The Diocesan Secretary, Diocesan Treasurer, Chancellor, and Commission and Department Chairpersons shall have voice at the Diocesan Convention, and shall receive all materials sent to convention delegates.

Section 3. NOTICE OF CONVENTION. The Ecclesiastical Authority shall call the annual meeting of the Diocesan Convention by giving at least three months written notice to each congregation. The Ecclesiastical Authority may call a special meeting of the Diocesan Convention with thirty days written notice. In the case of emergency, the Ecclesiastical Authority may change the time and/or place of convention.

Section 4. OFFICERS OF THE CONVENTION.

- a. **PRESIDING OFFICER.** The Bishop or, in the absence of the Bishop, the President of the Standing Committee shall preside at all meetings of the convention, and shall have a vote with the clerical order.
- b. **SECRETARY.** The duties of the Secretary shall be to take minutes of the proceedings, prepare the convention journal, and to perform such other duties as the convention may direct. The Secretary may appoint an assistant secretary.

Section 5. PREPARATION FOR AND BUSINESS OF CONVENTION.

- a. The Ecclesiastical Authority, in consultation with the Diocesan Council, shall appoint the following committees at least three months prior to the date of the annual convention:
 - 1. A committee on credentials. The committee shall review and certify the credentials of lay and clerical delegates to the convention.
 - 2. A parliamentarian.
 - 3. A committee on legislation which shall be composed of at least two clergy and two lay people. All proposed alterations and amendments to the Constitution and Canons shall be referred to the committee at least sixty days prior to convention.
 - 4. A committee on resolutions which shall be composed a two clergy and two lay people. All resolutions shall be referred to the committee at least 60 days before convention.
- b. Reports of the legislation and resolutions committees, except for courtesy resolutions, shall be prepared in final form, printed and distributed to the delegates at least thirty days prior to the annual convention.
- c. The resolutions and legislation to be considered by the committees may originate in said committees or be submitted by other individuals or groups within The Episcopal Church.
- d. Any resolution or legislation submitted by the committees to the convention shall also indicate the following information:
 - 1. The identity of the group, committee or persons originating or sponsoring the proposal.
 - 2. The recommendation of the committee, if the committee considered the merits of the proposal.
 - 3. A statement that the committee makes no recommendation for or against the merits of the proposal, if the committee did not consider the merits of the proposal.
 - 4. Estimate cost and source of funding.

Section 6. QUORUM. A quorum for the transaction of business shall consist of two-thirds of the clergy with a cure in the diocese of Montana and two-thirds of the lay delegates elected by the Congregations.

Section 7. OPENING AND ORDER OF BUSINESS. Every session of the convention shall be opened with the prayers of the Church. The order of business shall include:

- a. The committee on privilege shall certify to the convention that a quorum is present, advising the convention of the number present and entitled to vote.
- b. A quorum being present, the presiding officer shall declare the convention organized for business.
- c. The chair shall appoint tellers to count and report ballots whenever a written ballot shall be called for by these canons or by motion duly passed by convention.
- d. The election of the convention secretary.
- e. The annual address of the Bishop.
- f. Receiving and acting upon the report of the Diocesan Council.
- g. Receiving and acting upon the report of the Secretary of the Diocese.
- h. Receiving and acting upon the report of the Standing Committee.
- i. Receiving reports of departments and commissions.
- j. Receiving and enacting the annual budget.
- k. Election of members of Diocesan Council, Standing Committee, deputies and alternates to the General Convention, the Church Advocate and members of the Ecclesiastical trial court.
- l. Nomination by the Bishop and approval by the convention of the Commission on Ministry, the Chancellor of the Diocese, and delegates to Provincial Synod.
- m. Receiving and acting upon the report of the committee on legislation.
- n. Receiving and acting upon the report of the committee on resolutions.
- o. Receiving and acting upon the reports of special convention committees.
- p. Receiving an annual report from Provincial Synod
- q. Such other business as shall come before convention.

Section 8. CONDUCT AND COMPLETION OF BUSINESS.

- a. Upon a motion duly made, seconded and approved by two-thirds vote of convention delegates, a resolution may be introduced to convention.
- b. If the order of business on any day shall not have been completed, the first business on the succeeding day shall be the matters which were not acted upon the preceding day.

CANON 4. THE STANDING COMMITTEE.

Section 1. DUTIES. The Standing Committee shall be the Bishop's Council of Advice pursuant to the Constitution, Canons and Convention of this Diocese and The Episcopal Church; if there is no Bishop able or authorized to act, the Standing Committee shall be the Ecclesiastical Authority.

In case of a vacancy in the Episcopate, the powers and duties normally performed by the Bishop in matters of discipline shall be performed by the Standing Committee except in those cases in which such powers and duties are, by the national canons, specifically delegated to the clerical members of the committee; provided that no sentence shall be pronounced upon a priest or deacon but by a Bishop, and that where there is occasion for it some neighboring bishop shall be invited to perform the office.

Section 2. MEMBERSHIP. The Standing Committee shall consist of three clergy, canonically resident and domiciled, and three lay people who shall be communicants in good standing of some congregation in the Diocese. Each year the Diocesan Convention shall elect one clergy person and one lay person, each to serve for three-year terms. In the event that there is a vacancy in the membership, the remaining members shall elect by a majority vote of the membership a new member who shall serve that unexpired term. Upon the expiration of a full term of office of a member of the Standing Committee, the member shall not be eligible to be elected or appointed to the Standing Committee until the next Diocesan Convention.

Section 3. QUORUM. The majority of the members of the Standing Committee shall constitute a quorum. Actions of the Committee shall require at least four affirmative votes.

Section 4. ORGANIZATION. The Standing Committee shall elect a president and a secretary.

CANON 5. DUTIES OF OTHER OFFICERS.

Section 1. VICE PRESIDENT. The Vice President shall preside at meetings of the Diocesan Council in the absence of the President, and perform such other duties as may be assigned by the President.

Section 2. SECRETARY. The Secretary is Secretary of the Corporation, Secretary of Diocesan Council, and Secretary of the Diocese. The Secretary shall keep and maintain the records of the Corporation, Council, and Diocese.

Section 3. TREASURER. The Treasurer is chief fiscal officer of the Corporation. The Treasurer shall collect and disburse all money under the authority of the Diocese. The Treasurer shall report annually to Diocesan Convention on all collections and disbursements. The Treasurer shall serve as convener of the Department of Finance.

Section 4 - CHANCELLOR

The Bishop shall appoint a Chancellor and such Vice-Chancellors as needed to provide legal advice and counsel to the Bishop. The Chancellor and any Vice-Chancellor(s) shall serve at the pleasure of the Bishop, or in the absence of a Bishop, the pleasure of the ecclesiastical authority.

Chancellors and Vice-Chancellors must be an experienced attorney(s), licensed to practice law in Montana. In the absence of a Bishop, the Chancellor/Vice-Chancellor(s) shall provide legal advice and counsel to the ecclesiastical authority until a successor Bishop is available. From time to time the Chancellor/Vice-Chancellor(s) may, with the permission of the Bishop/ecclesiastical authority, provide legal advice to other persons, bodies and entities within the Diocese.

Section 5. CHURCH ADVOCATE. The Church Advocate shall act as the official prosecutor in all ecclesiastical trials under these canons. The Diocesan Convention shall elect for a three-year term a communicant in good standing, who is learned in trial advocacy and admitted to the practice of law before the Supreme Court of Montana, to be Church Advocate.

CANON 6. DIOCESAN COUNCIL.

Section 1. DUTIES. The Diocesan Council shall meet at least four times each year. The Council shall implement actions assigned to it by diocesan convention, review diocesan and local programs and goals, determine budget policy, and shall have full power and authority to act for convention in all matters not expressly reserved to the convention or granted to another body created herein.

Section 2. MEMBERSHIP. The Diocesan Council shall consist of the following voting members:

- a. The Bishop, who shall be the president.
- b. Six clergy and six lay people, to be elected at the annual Diocesan Convention for three-year terms each, with their terms so staggered that two clergy and two lay people shall be elected each year. Upon the expiration of the term of office of an elected member of the Diocesan Council, such member shall not be eligible for membership on the Diocesan Council until one year shall have elapsed after the expiration of the term of office.

Section 3. QUORUM. A majority of the members of the Diocesan Council shall constitute a quorum.

Section 4. The Diocesan Council shall have the power to organize itself in accordance with Canon 21, provided that there shall be established a Department of Finance which shall have the powers and duties including, but not limited to, those set forth in the National Canons.

CANON 7. DELEGATES TO PROVINCIAL SYNOD.

Up to four people in each order may be appointed by the Bishop with the advice and consent of the Diocesan Council as delegates to the Provincial Synod for a one-year term.

CANON 8. DEPUTIES TO GENERAL CONVENTION.

The Diocesan Convention shall elect active clergy and lay people as deputies and alternates to General Convention in the number provided for by the Constitution of the Episcopal Church. The alternates shall fill deputy vacancies in their respective orders in accordance with their election priority. Clergy must be canonically resident and domiciled, and lay people must be confirmed, adult communicants in good standing of a congregation in the Diocese. Any vacancy after alternates have been considered in order of elected priority shall be filled by order of the Bishop.

CANON 9. COMMISSION ON MINISTRY.

Section 1. DUTIES.

- a. The duties of the Commission on Ministry shall include those prescribed in the Canons of The Episcopal Church and such other duties relating to the ministry of the Diocese as may be assigned by the Bishop including, but not limited to, the following:
 - i. Assist the Bishop in matters pertaining to the needs for ordained ministry in the Diocese as it relates to the recommendations of persons suited for the ministry, and the guidance and pastoral care of all postulants and candidates for Holy Orders.
 - i. Assist the Bishop in matters pertaining to the continuing education for clergy.

- ii. Assist the Bishop in challenging, training and providing continuing education of the lay people in their ministry.
- b. The Bishop may appoint a Board of Examining Chaplains to examine postulants and candidates for the ordained ministry, applicants for licensed lay ministry, and all licensed lay persons, and perform other duties as assigned.

Section 2. MEMBERSHIP.

- a. The Bishop shall appoint, subject to ratification by Diocesan Convention, eight persons, four clerical and four lay, to the Commission on Ministry, one person in each order to be appointed annually to serve for a term of four years.
- b. Vacancies in the commission membership occurring between Diocesan Conventions shall be filled by appointment of the Bishop with the advice and consent of the Standing Committee.

CANON 10. DEANERIES.

The Diocese shall be divided geographically into such deaneries and with such representation as the Bishop and Diocesan Council shall direct.

CANON 11. CONGREGATIONS.

Section 1. RELATIONSHIP TO THE DIOCESE. The Episcopal Diocese of Montana shall be considered to be a holding corporation adhering to the doctrine, discipline and worship of the Episcopal Church. All property, including real property, owned by any congregation in the Diocese in the name of The Episcopal Church, shall be held by the Diocese in the name of all members in good standing of the Diocese for the mutual benefit and support of Christ and His Church.

Section 2. IMPAIRED CONGREGATIONS.

- a. Whenever in the life of a congregation, its ability to so function is impaired by instability and stress, it is the responsibility of the Ecclesiastical Authority and the congregation to attempt to restore it to vitality. Situations which may indicate that a Congregation is unable to function include:
 - 1. A request of the Rector or the Priest in Charge for assistance;
 - 2. A request of the majority of the Members of the Vestry for assistance;
 - 3. Failure to make timely reports required of the Canons, including yearly audits;
 - 4. Failure or refusal to elect a governing body or send a delegation to any Annual Convention;
 - 5. Determination that the financial reports of the Congregation reveal evidence of financial instability sufficient, in the judgment of the Bishop and the Diocesan Council, to jeopardize the ability to function as a Congregation.
- b. The Ecclesiastical Authority shall appoint a Consulting Team of laity and clergy of at least three persons to help assess the health of the Congregation. The Ecclesiastical Authority may consult with the Rector and Vestry regarding the composition of the Consulting Team. In the event the Ecclesiastical Authority is a Bishop, the Bishop may appoint a designee to operate on his or her behalf.

- c. After consultation(s) with the Rector, the Vestry and other entities, the Consulting Team shall report to the Bishop, the Standing Committee, the Vestry and the Rector with an assessment and a plan of action to address issues raised in the report.
- d. The Rector and Vestry can respond to the report of the Consulting Team with commentary or an action plan of their own.
- e. The parties involved shall engage in a good faith effort to resolve the issues that have led to impairment.

Section 4. STATUS.

- a. Every congregation in the Episcopal Diocese of Montana shall be equal for all purposes, practical, pastoral and canonical, with no distinction made to status, availability of ordained and non-ordained ministers or financial support.
- b. Parishes of the Diocese organized prior to the adoption of this canon as nonprofit religious corporations of the Episcopal Diocese of Montana may continue their corporate status. Such parishes shall include in their Articles of Incorporation the following sections: "Regulation of the internal affairs of the corporation shall be as specified by the Canons of the Episcopal Diocese of Montana. In the event of the dissolution of this corporation, and in the event of final liquidation, all property, real and personal, shall be transferred to the Episcopal Diocese of Montana, a holding corporation of the Episcopal Church".
- c. All congregations shall create and promulgate an enabling document in conformity to the doctrine, discipline and worship of The Episcopal Church.

Section 4. DISSOLUTION OF A CONGREGATION.

The Bishop and Diocesan Council shall be notified:

- a. Should any congregation of the Diocese decide that it is no longer able to effectively continue as such or should any congregation:
 - i. Fail to pay its clergy's salary, pension or insurance equal to the then established minimum for one full year;
 - ii. Fail for three successive years to pay its full diocesan assessment, less any abated portion, or any other just debt or obligation; or
 - iii. Fail to comply with the doctrine, discipline, and worship of the Episcopal Church.
- b. Following notification of one of the conditions above, the priest in charge, wardens, vestry members, treasurer, clerk, and all other trustees, directors and officers shall tender their resignations and consent to replacement by the Bishop.
- c. Should the Bishop, in consultation with Diocesan Council and the Standing Committee, determine that dissolution of the congregation is not necessary, a priest in charge of the congregation shall be nominated by the Bishop and appointed by the Diocesan Council and Standing Committee, and may be removed in a similar manner. The Bishop shall appoint wardens, vestry members, a treasurer and a clerk, each for the unexpired term of office of the respective person replaced.
- d. Should it be determined that dissolution of a congregation is necessary, resignations shall be effective with the approval of Council at its next regularly scheduled meeting. All property, real and personal, held in the name of the congregation shall be transferred to the Episcopal Diocese of Montana. Funds held by guilds and other organizations in the name of the congregation shall

be considered to be funds of the congregation. Contents of the buildings shall be disposed of by the Bishop with the advice and consent of the Standing Committee.

CANON 12 ORGANIZATION OF A FELLOWSHIP AND A CONGREGATION.

Section 1. FELLOWSHIP. A fellowship is a small group of people including members of the Episcopal Church who meet occasionally in a private home, an office, or in some other convenient building for prayer and worship with no regular priestly services. No ordained functions may be performed without the consent of the clergy in charge of the parochial cure in that vicinity.

Section 2. CONGREGATION.

- a. Any twelve adults who are communicants of the Episcopal Church and are desirous of obtaining Episcopal services may, with consultation and the consent of the clergy in charge of the parochial cure, as defined in the national canons, petition the Bishop for recognition as a proposed congregation, if they agree to:
 - i. Meet regularly, openly and corporately for worship;
 - ii. Adhere to the doctrine, discipline and worship of the Episcopal Church;
 - iii. Commit themselves in writing to satisfactorily defray the cost of their corporate enterprise for a period of not less than three years, and a specific plan for meeting evangelism and pastoral needs;
 - iv. Obtain regular clerical services.
- b. After functioning as a proposed congregation for at least one year, the proposed congregation may petition the Bishop for recognition as a separate congregation.
- c. Upon receipt by the Bishop, the petition, reaffirming their agreement to comply with Section 2(a) (1-4), shall be presented to the Diocesan Council for action. Upon preliminary approval by the Diocesan Council, the proposed congregation shall meet, elect a vestry and wardens and adopt a constitution and by-laws acceptable to Diocesan Council.
- d. Following preliminary approval the proposed congregation, after functioning as a separate entity for at least one year, may, with the consent of Council, request approval of the convention as a congregation in the Diocese of Montana, and naming by the Bishop.

Section 3. PRIEST -IN-CHARGE.

- a. The priest in charge shall be president of the vestry and of the congregation, and shall have the deciding vote, in case of a tie. The priest-in-charge shall have spiritual oversight of the congregation.
- b. The church buildings shall be open to the priest-in-charge for public common prayer, catechetical or other religious instruction, for marriages, baptisms, funerals, and all other rites and ceremonies authorized by the Episcopal Church, at such times as the priest-in-charge may deem proper. For the purposes of that office and for the full and free discharge of all functions and duties pertaining thereto, the priest-in-charge shall at all times be entitled to the use and control of the church and its buildings with the appurtenances and furniture thereof.
- c. The duties of the priest-in-charge are those provided for in the Constitution and Canons of the Episcopal Church.
- d. On the occasions in which the term "Priest-in-Charge" is used within these canons, when that Priest-in-Charge has been elected by a Vestry, the Priest-in-Charge shall be afforded the privileges,

prerogatives and responsibilities of a "Rector" as are provided for within the Constitution and Canons of the Episcopal Church.

Section 4. WARDENS.

- a. There shall be a Senior Warden and a Junior Warden, appointed by the priest-in-charge or elected by the congregation at the annual meeting. The method of electing wardens shall be established in the enabling document of each congregation. Wardens shall not serve more than two consecutive years.
- b. The duties of the Wardens shall be those contained in the Constitutions and Canons of the Episcopal Church, of the Diocese of Montana and the enabling document of each congregation.
- c. The priest-in-charge shall preside over all meetings of the vestry. The priest-in-charge may delegate this responsibility to the Senior Warden. In the absence of the Senior Warden, this responsibility shall be delegated to the Junior Warden. In the absence of the Junior Warden, this responsibility shall be delegated to a senior member of the vestry.

Section 5. ANNUAL MEETING.

- a. The congregation shall conduct an annual meeting during January of each year. The vestry shall give notice of the annual meeting to the congregation in writing at least two weeks preceding the date of such meeting,
- b. Qualified voters at the annual meeting shall be members of the congregation in good standing, who are defined as baptized persons, duly enrolled, 16 years or older and regular worshippers in the church. Only members personally attending the meeting may vote.
- c. At the meeting, a full account of the assets and liabilities of the congregation shall be presented. The statement shall show:
 - i. Money, lands, and other property received during the year, their source and value;
 - ii. Expenditures;
 - iii. Real property purchased, exchanged, mortgaged, sold or otherwise alienated or encumbered, and the reason thereof;
 - iv. Debts contracted and owing;
 - v. Improvements that have been made, with the cost or estimated cost;
 - vi. Information and statistics from the parochial report.

Section 6. VESTRIES.

- a. At the annual meeting the congregation shall elect a vestry of not less than three nor more than twelve members. A congregation may adopt a system of rotating terms.
- b. Wardens and members of the vestry shall be members of the congregation in good standing and entitled to vote.
- c. Vestry members may be elected to no more than two consecutive terms. Upon expiration of the second term, vestry members shall not be eligible to be elected or appointed to the vestry for a period of one year. Diocesan Council may approve additional terms by a majority vote.
- d. Vacancies in the vestry may be filled either by election at a special parish meeting, or by appointment by the vestry.

- e. The vestry shall choose a clerk and a treasurer in such manner and with such duties and responsibilities as the congregation shall establish by its enabling document consistent with these canons.
- f. The duties of the vestry, together with the wardens, shall be to serve as trustees of the property of the church, to collect and disburse all money received for church purposes, to assist with its physical and spiritual concerns, to make arrangements for the support of the priest-in-charge, and to supply that office in case of a vacancy. Wardens and members of the vestry shall continue in office until their successors are elected.
- g. The vestry shall meet at least eight times each year. Special meetings may be held when the priest-in-charge requests and shall be called by the priest-in-charge when requested by a majority of vestry members.

Section 7. DUTIES OF THE CLERK AND TREASURER.

- a. It shall be the duty of the clerk to attend all meetings of the vestry, to take minutes when approved, to enter and attest the same in the book of minutes of the vestry; it shall be the clerk's further duty to have care of, and enter in the record book of the church, all other documents bearing upon the history of the parish and to preserve on file the originals.
- b. It shall be the duty of the treasurer to collect and disburse all money under authority of the vestry.
- c. The treasurer shall present to the annual meeting a full and accurate statement of all money received and paid since the last annual meeting.
- d. The treasurer shall attend all of the vestry meetings and be guided by its advice in all matters pertaining to the duties of the treasurer, and be ready to answer all questions as to the state of the treasury.

Section 8. SELECTION OF A PRIEST-IN-CHARGE.

The vestry shall elect its priest-in-charge subject to the approval of the Bishop and in conformity with the constitution and canons of the Episcopal Church and of the Diocese of Montana.

Section 9. DISSOLUTION OF THE PASTORAL RELATION.

- a. Where a contract exists between the congregation or Diocese and priest-in-charge, the terms of that written contract shall prevail.
- b. Where no written contract exists, or terms are not specific, the Canons of the National Church pertaining to the Dissolution of the Pastoral Relation shall prevail.

CANON 13. ALIENATION OF CHURCH PROPERTY.

Congregations may alienate real property used for church purposes held in the name of the congregation only in accordance with the canons of the Episcopal Church.

CANON 14. CLERGY LEAVING THE DIOCESE.

Section 1. No deacon shall accept a call to another jurisdiction without the written consent of the Ecclesiastical Authority of this Diocese.

Section 2. No presbyter shall accept a call to another jurisdiction until that presbyter has informed the Ecclesiastical Authority of this Diocese.

Section 3. The Ecclesiastical Authority of this Diocese shall issue letters Dimissory upon the satisfaction of Section 1 and 2 above.

CANON 15. FUNDING OF DIOCESAN BUDGET

Section 1. ROLE OF DIOCESAN COUNCIL.

- a. The Diocesan Council shall determine a uniform method of assessment and shall annually estimate a sum necessary and proper for the following purposes:
 - i. For the spread of the Gospel of Jesus Christ and the mission of the church;
 - ii. For the purposes of the General Convention;
 - iii. For the support of the Episcopate;
 - iv. For the support of the diocesan and national church program;
 - v. For such other purposes as convention shall approve and direct.
- b. The Diocesan Council shall propose the method of assessment and the estimated sum to the Diocesan Convention.

Section 2. ROLE OF THE DIOCESAN CONVENTION.

The Diocesan Convention shall:

- a. Adopt a budget;
- b. Adopt a uniform method of assessment;
- c. Provide for assessment from congregations an amount sufficient to fund the budget.

Section 3. ROLE OF CONGREGATIONS.

Each congregation shall pay its assessment in twelve monthly installments on or before the last day of each month.

Section 4. ABATEMENTS.

- a. Any congregation which shall have failed to pay its assessment in full for the prior calendar year, may not be seated at the annual Diocesan Convention.
- b. The Diocesan Council may abate, in full or in part, any deficiency in payment of assessment. The Diocesan Convention may hear and reverse a Council decision denying abatement for cause.
- c. If a congregation has not applied to the Diocesan Council for abatement, the Diocesan Convention may abate the deficiency of any congregation only after it determines that the failure to apply to the Diocesan Council for abatement was due to conditions beyond the control of members of the congregation.

Section 5. THE FUNDING OF GENERAL CONVENTION DEPUTIES, THE LAMBETH CONFERENCE AND THE SEARCH PROCESS, ELECTION, TRANSITION AND ORDINATION OF A BISHOP.

There shall be permanent revolving accounts for the adequate funding of Deputies attending the General Convention, the Bishop Diocesan attending Lambeth Conference, and the Search Process, Election, Transition and Consecration of a Bishop.

CANON 16 PROFESSIONAL STANDARDS.

Clergy, licensed lay ministers, and professional employees shall conform to the highest professional standards. Those standards shall include, but not be limited to, those outlined in the canons of the General Convention.

Section 1. All clergy, active and retired, in order to retain licensure to function within this Diocese, shall have to pass a criminal background check and complete safeguarding against abuse and harassment training every four years. Congregations in which the clergy serve shall pay the expense of this requirement. In the event the clergy person is not affiliated with a congregation, the Diocese shall pay the expense of this requirement.

Section 2. All clergy, from outside the diocese, elected or appointed to clerical positions within the Diocese, shall show current evidence of both criminal background checks and safeguarding against abuse and harassment training, prior to receiving licensure. The Ecclesiastical Authority shall determine if the training received, and the criminal background check, in a previous diocese is sufficient.

Section 3. All laity, if serving in a ministerial capacity requiring criminal background checks and completion of safeguarding against abuse and harassment training, shall renew the same, every four years. The congregations in which they serve shall be responsible for meeting the expense of such background checks. For laity serving in diocesan capacity, the Diocese shall be responsible for meeting the expense of such background checks.

Section 4. It shall be the responsibility of the Ecclesiastical Authority, in consultation with the Commission on Ministry, to determine the nature of the criminal background check and the safeguarding education.

Section 5. It shall be the responsibility of the Diocese of Montana to maintain records of compliance with the above sections of Canon 16.

CANON 17. RESOLUTION OF DISPUTES ARISING FROM BREACHES OF PROFESSIONAL STANDARDS.

Conflicts resulting from breaches of professional standards by clergy, professional lay employees and licensed lay ministers shall be resolved pastorally, if possible, with the intention of achieving reconciliation between the individual alleged to have committed the said breach, any individual alleged to have been injured thereby, and the Body of Christ.

Section 1. LICENSED LAY MINISTERS AND PROFESSIONAL EMPLOYEES.

The Diocese shall establish rules of professional conduct and procedures for resolving charges that such standards have been breached.

Section 2. BISHOPS, PRESBYTERS AND DEACONS may be liable to presentment and trial for the offenses provided for in the Canons of The Episcopal Church.

Section 3. CLERGY. In the event of a dispute in which it is alleged that a member of the clergy has breached professional standards, including but not limited to those defined in National Canon as meriting the imposition of discipline, the Bishop shall intervene pastorally in search of conciliation. Such intervention may include, in the Bishop's discretion, issuance of a Letter of Admonition.

Section 4. FAILURE OF RECONCILIATION. In the event that attempts by the Bishop to resolve the dispute shall not be satisfactory, Presbyters and Deacons may be liable to presentment and trial for offenses provided for in the Canons of The Episcopal Church. Procedures for initiating, investigating, and trying such charge shall be established consistent with the Constitutions and Canons of The Episcopal Church and the Diocese of Montana, and pursuant to these Canons.

Section 5. Nothing in these canons shall prohibit a member of the clergy from demanding and receiving immediate presentment and trial of the said charges without pastoral intervention by the Bishop.

Section 6. THE BISHOP. Allegations against a Bishop are within the exclusive province of the Canons of The Episcopal Church of the United States.

CANON 18 ECCLESIASTICAL DISCIPLINE

Section 1. The forms and methods of Ecclesiastical Discipline in the Diocese shall follow and comply with the provisions set forth in Title IV of the Canons of the General Convention of The Episcopal Church (the "General Canons"). To the extent, if any, that any of the provisions of this Canon are in conflict or inconsistent with the provisions of Title IV or the General Canons, as they may be amended, the provisions of the General Canons shall govern.

Section 2. These canons shall take effect immediately upon adoption. The terms of previously selected members of the Disciplinary Board shall continue through to the end of their determined term per Canon Section 4 (b).

Section 3. Pursuant to General Canon IV.5.3 (i) the Diocese has elected to enter into a compact with the Diocese of Idaho to develop and share personnel and resources necessary to implement Title IV and this Canon, including members of Disciplinary Boards, Church Attorneys, Intake Officers, Advisors, Investigators, Conciliators and administrative and financial support for proceedings under Title IV (hereinafter the "Diocesan Ecclesiastical Disciplinary Compact" or "Compact"). The Bishop of each Diocese shall be authorized to execute and implement the Diocesan Ecclesiastical Disciplinary Compact and any amendments or modifications thereto consistent with this Canon.

- a. When any General Canon shall allow information concerning a charge or disciplinary proceeding be given to a Bishop Diocesan, it shall be provided to the Bishop Diocesan having jurisdiction over that charge or disciplinary proceeding under General Canon IV.19.5.
- b. Each Bishop shall adopt a policy for the reporting to law enforcement information of offenses,

which if true may constitute a criminal offense under the law of the state of the appropriate Diocesan jurisdiction, notwithstanding any other mandatory reporting requirements.

Section 4. The Disciplinary Board shall consist of nine persons, five of whom are members of the Clergy and four of whom are members of the Laity and shall constitute a Court for purposes of Article IX of the Constitution of The Episcopal Church. No member of the Standing Committees of the participating Diocese may serve on the Disciplinary Board.

- a. While the Disciplinary Board Compact is in effect, each of the two Dioceses shall have two clerical and two lay members on the Disciplinary Board, and the ninth member, a cleric, shall be jointly appointed by the two Bishops Diocesan. Board appointees shall attend such training as their respective Bishops Diocesan may require.
- b. Eventually, each member of the Disciplinary Board shall serve a three-year term, each term to begin on January 1 following appointment. During the first year, the nine members shall draw lots as to the three having one year terms, the three having two year terms and the three having three year terms. Thereafter, each Diocese shall select, pursuant to its own canons, replacements for members of that Diocese whose terms have ended, for three-year terms, replacing lay with lay and clergy with clergy, provided that the ninth member shall be jointly selected by the two Bishops. Members may serve no more than two successive terms, after which one year must elapse before re-appointment or re-election. If a member is appointed to fill a vacancy, the term of such member shall be the unexpired term of the member being replaced. If a proceeding is pending, a member of the Disciplinary Board whose term has expired shall continue to serve on the Disciplinary Board for all proceedings in that matter in which the Disciplinary Board is involved through final disposition.
- c. The Clerical members of the Disciplinary Board that shall be elected by Diocesan Convention from this Diocese shall be canonically and geographically resident within the Diocese of Montana.
- d. The lay members of the Disciplinary Board that shall be elected by Diocesan Convention from this Diocese shall be adult Communicants in Good Standing of a congregation in the Diocese of Montana.
- e. The members of the Disciplinary Board from each Diocese shall be selected prior to November 1 of each year, with terms beginning the following January 1.
- f. Vacancies on the Disciplinary Board shall be filled as follows:
 - i. Upon the determination that a vacancy exists, the President of the Disciplinary Board shall notify the Bishop Diocesan of the vacating member's Diocese of the vacancy and request appointment of a replacement member of the same order as the member to be replaced unless the vacancy is for the jointly appointed member, in which case the President shall notify both Bishops Diocesan of the vacancy.
 - ii. That Bishop Diocesan, or the Bishops Diocesan jointly, shall appoint a replacement Disciplinary Board member with the advice of the Standing Committee of the Diocese of Idaho and with the consent of the Standing Committee of the Diocese of Montana.
 - iii. With respect to a vacancy created for any reason other than pursuant to a challenge as provided below, any person selected as a replacement Disciplinary Board member shall serve for the unexpired portion of the vacating member's term. With respect to a vacancy resulting from a challenge, the replacement Disciplinary Board member shall serve only for the proceedings for which the appointed Disciplinary Board member is not serving as a result of the challenge.
- g. The first Disciplinary Board President shall be elected by Disciplinary Board members at its first

Disciplinary Board Meeting to serve until December 31, 2012, and may be elected for an additional one-year term. Subsequent presidents shall be elected in accordance with General Canon IV.5.1 and may serve for up to two one-year terms before stepping down as President for one year.

- h. The Disciplinary Board shall appoint a Clerk to assist the Disciplinary Board with records management and administrative support. The Clerk's duties shall include, but not be limited to, providing notice of time and place of proceedings, hearings or meetings to the Board members, parties, witnesses and interested persons. The Clerk may or may not be a member of the Disciplinary Board. The Clerk shall also maintain a roster of membership for, the Disciplinary Board, which shall state the Diocese and term of each member.
- i. In any proceeding under this Canon, if any member of a Conference Panel or Hearing Panel of the Disciplinary Board shall become aware of a personal conflict of interest or undue bias, that member shall immediately notify the President of the Disciplinary Board and request a replacement member of the Panel. Respondent's Counsel and the Church Attorney shall have the right to challenge any member of a Panel for conflict of interest or undue bias by motion to the Panel for disqualification of the challenged member. The remaining members of the Panel not the subject(s) of the challenge, shall promptly consider the motion and determine whether the challenged Panel member shall be disqualified from participating in that proceeding.

Section 5. The Intake Officer/s for each Diocese shall be appointed from time to time by the Bishop Diocesan for each Diocese with the advice of the Standing Committee. Each Bishop Diocesan may appoint one or more Intake Officers according to the needs of the Diocese. Each Bishop Diocesan shall publish the name(s) and contact information of the Intake Officer(s) throughout the Diocese.

Section 6. Each Bishop Diocesan shall appoint an Investigator in consultation with the President of the Disciplinary Board on an as needed basis. The Investigator may be, but is not required to be a Member of the Church. Each Diocese may share information regarding a list of Investigators who may be appropriate for appointment on as needed basis.

Section 7. Within 45 days following each Annual Meeting of the Convention, the Bishop Diocesan of each Diocese, with the advice of the Standing Committee, shall appoint one or more attorneys to serve as Church Attorney(s) for the following calendar year. The person(s) so selected may but need not be Members of the Church and need not reside within the Diocese. The Church Attorney may be removed for cause during the calendar year by the Bishop Diocesan of each Diocese with the advice of the Standing Committee.

Section 8. In each proceeding under this Canon, the Bishop Diocesan shall appoint an Advisor for the Complainant and an Advisor for the Respondent. Persons serving as Advisors shall hold no other appointed or elected position provided for under this Canon, and shall not include the Chancellors or Vice-Chancellors of each Diocese or any person likely to be called as a witness in the proceeding. The description of the role of the Advisor is found in General Canon IV.2 and is not meant to act as attorney. The Complainant and the Respondent are each free to engage an attorney at their own costs.

Section 9. The reasonable costs and expenses of the Disciplinary Board, the Intake Officer, the Investigator, the Church Attorney, the Disciplinary Board Clerk, Advisors and the Pastoral Response Coordinator shall be the obligation of the Diocese in which the Respondent is canonically resident, unless the alleged offense took place elsewhere and the respective Bishops Diocesan agree on a

different cost allocation. Other costs and attorney fees shall be the responsibility of individual parties incurring them, pursuant to and subject to the General Canons.

Section 10. Records of active proceedings before the Disciplinary Board, including the period of any pending appeal, shall be preserved and maintained in the custody of the Clerk, if there be one, otherwise by the Diocesan office in which the Respondent is canonically resident.

Each Bishop diocesan shall make provision for the permanent storage of records of all proceedings for clergy canonically resident in this Diocese under this Canon at the Diocese and the Archives of the Episcopal Church, as prescribed in Title IV of the General Canons.

Section 11. Each Bishop Diocesan may appoint a Pastoral Response Coordinator, to serve at the will of the Bishop Diocesan in coordinating the delivery of appropriate pastoral responses provided for in Title IV.8 of the General Canons and this Canon. The Pastoral Response Coordinator may be the Intake Officer.

Section 12. In the event the Bishop Diocesan is disqualified or recuses himself or herself the Bishop Diocesan of the Compact Diocese shall be invited to function as Episcopal Authority in a pending matter.

Section 13. The Disciplinary Board shall each year submit a written report to the Annual Meeting of the Convention.

Section 14. Any Member of the Clergy canonically resident in the Diocese who deems himself or herself to be under imputation, by rumor or otherwise, of an offense that he or she does not believe rises to that for which proceedings could be had under Title IV of the Canons of the General Convention, may on his or her own behalf request the Bishop Diocesan, or a Bishop serving under the provision of Title III, Canon 13, to conduct an inquiry with regard to such imputation. Upon receipt of such request by a Member of the Clergy, it shall be the duty of the Bishop Diocesan to cause the matter to be investigated and to report the result to the Member of the Clergy. If there is not a Bishop Diocesan, or a Bishop with Ecclesiastical Authority, then the Standing Committee serving as the Ecclesiastical Authority shall cause the matter to be investigated and to report the result to the Member of the Clergy.

CANON 19. EPISCOPAL DIOCESE OF MONTANA FOUNDATION.

Section 1. There is hereby established a Committee of the Diocese to be composed of the Bishop, the Diocesan Treasurer, the Chancellor, the Vice-President of Diocesan Council, the President of the Standing Committee, and two clergy and two lay representatives elected by the Diocesan Convention for four-year terms to be known as the Board of Trustees of the Episcopal Diocese of Montana Foundation.

Section 2. The purpose of this committee shall be to receive those funds, securities, or other property received by the Diocese from gifts, bequests, and those other properties designated for deposit within the Foundation from any source for the benefit of the Diocese, any congregation, or both, to manage, invest and reinvest said property; and to use the same and any income or interest received therefrom for the purposes for which said properties shall be designated by the donor, or if undesignated, for such other

diocesan purposes as may be determined by the Board of Trustees from time to time and approved by the Diocesan Council.

Section 3. Non-Officer members of the Board of Trustees shall be elected at Diocesan Convention, one each year for four-year terms alternating between clergy and lay representatives. Initially, two clergy and two lay representatives shall be elected serving terms based upon mutually agreed upon years (one for four, one for three, one for two, and one for one-year terms). Members of the Board of Trustees may succeed themselves.

Section 4. The Board of Trustees shall meet at least once a year in the fall following Convention. At the fall meeting, the Trustees shall elect from its elected members a President, Vice-President and Secretary. Vacancies in the Board of Trustees shall be filled by the Board of Trustees for the unexpired term.

Section 5. The Board of Trustees may make such rules and regulations as they may deem expedient for the efficient transaction of the business for which they were created, provided, however, that such rules and regulations and investment policies and goals shall be submitted to the Diocesan Council for its approval. The Trustees shall make an annual report of their proceedings.

CANON 20. OF BUSINESS METHODS IN CHURCH AFFAIRS

Section 1. In the Diocese of Montana, every Parish, Mission, Congregation, and Institution by whatever name it shall be known that is connected with this Church, the following standard business methods shall be observed:

- a. Funds held in trust, endowment and other permanent funds, and securities represented by physical evidence of ownership or indebtedness, shall be deposited with a National or State Bank, or a Diocesan Corporation, or with some other agency approved in writing by the Department of Finance of the Diocese.
- b. Records shall be made and kept of all trust and permanent funds showing at least the following:
 - (1) Source and date.
 - (2) Terms governing the use of principal and income.
 - (3) To whom and how often reports of condition are to be made.
 - (4) How the funds are invested.
- c. Treasurers and custodians, other than banking institutions, shall be adequately bonded; except treasurers of funds that do not exceed five hundred dollars at any one time during the fiscal year.
- d. Books of account shall be so kept as to provide the basis for satisfactory accounting.
- e. All accounts of the Diocese shall be audited annually by an independent Certified Public Accountant. All accounts of Parishes, Missions, Congregations or 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 Diocesan Council of the Diocese of Montana.
- f. 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.
- g. All buildings and their contents shall be kept adequately insured.

h. The fiscal year shall begin January 1.

CANON 21. ORGANIZATIONAL STRUCTURE.

Section 1. Unless otherwise specified by canon, every commission, committee, department, or other organizational sub-division of the Diocese of Montana shall have the power to organize itself, allowing for optional standing committees and *ad hoc* committees, and to enact procedures and rules consistent with the Constitution and Canons of The Episcopal Church and of the Diocese of Montana.

Section 2. Unless otherwise specified by canon, vacancies of any unexpired term in any organizational sub-division may be filled by a majority vote of the remaining members.

Section 3. This canon shall not be interpreted to prohibit the appointment of individuals to sub-committees who are not members of the parent body.

CANON 22. INTERPRETATION.

Section 1. These canons are to be read in conjunction with the Constitution and Canons of The Episcopal Church, and to the extent that these canons are silent or inconsistent with the national canons, the national canons shall take precedence.

Section 2. These canons are intended to be read and interpreted as a whole so as to give effect to the whole thereof in preference to an interpretation which would favor one canon in derogation of another.

CANON 23. AMENDMENT OF THE CANONS.

Section 1. Any proposed amendment to these canons shall be referred to the Committee on Legislation.

Section 2. The Committee on Legislation shall make a report to Diocesan Convention on the amendment which shall be debated and voted upon.

Section 3. The adoption of any amendment shall be by a two-thirds majority in each order.

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