

Executive Council Minutes
Philadelphia, Pennsylvania
March 6 – 9, 2006

RESOLUTION TABLE OF CONTENTS

Administration and Finance, Standing Committee on (A&F)

A&F 096	27
A&F 099a.....	24
A&F 104	24
A&F 105	28
A&F 106	25
A&F 107	28
A&F 108	29
A&F 109	28
A&F 110	29
A&F 111	30
A&F 112	31
A&F 113	33
A&F 114	30

Congregations in Ministry, Standing Committee on (CIM)

CIM 045	5
CIM 046.....	6
CIM 047	6
CIM 048.....	6
CIM 049.....	7
CIM 050.....	7
CIM 051.....	7
CIM 052.....	8

International Concerns, Standing Committee on (INC)

INC 066.....	25
INC 067.....	9
INC 068.....	26
INC 069.....	9

National Concerns, Standing Committee on (NAC)

NAC 042	23
NAC 043	10
NAC 044	22
NAC 045	23

MONDAY MORNING, 3/6/06

The meeting was called to order by the Presiding Bishop at 9:45 a.m. He welcomed all to the last meeting of the triennium, and announced that Bishop John Paterson, Chairman of the Anglican Consultative Council, was present and would address the group during the morning session.

Bishop Griswold called upon the Secretary, Gregory Straub, to take the roll call.

Present, unless marked otherwise.

Frank Griswold	Ken Kesselus - late	John Vanderstar
George Werner	Timothy Kimbrough	Tim E. Vann
Bonnie Anderson	Stephen Lane	Lillian Yeager
Cynthia Black	Thomas Little - late	Ted Yumoto
R.P.M. Bowden	Sandra McPhee	
Carmen Brooks	Ted Mollegen	OFFICERS OF THE DOMESTIC
Kim Byham	Frank Oberly - late	AND FOREIGN MISSIONARY
Ann Coburn	Russell Palmore	SOCIETY
Louie Crew	Diane Pollard	Kurt Barnes
Theodore Daniels	Titus Presler	Patricia Mordecai
Sharon Denton	Brian Prior	Gregory Straub
Miguelina Espinal	Wilfrido Ramos-Orench	
Dorothy Fuller	Terry Roberts	CANADIAN PARTNERS
Edward Godden	Edward Rodman	Michael Ingham - late
Thomas Gossen	Catherine Roskam	Andrew Welsey - absent
Sarah Harte	Stacy Sauls	
Josephine Hicks	Becky Snow	
Julio Holguin	Kwasi Thornell	

Gregory requested a change in the agenda, moving Abigail Nelson of ERD from Wednesday to Monday. The agenda was approved. He also reminded all committees to consider the revised by-laws.

Bishop Griswold called for approval of the minutes of the Des Moines meeting. The minutes were approved.

REPORTS FROM COMMITTEE CHAIRS

RUSSELL PALMORE, REPORTING FOR ADMINISTRATION AND FINANCE:

A&F has a light agenda. They will receive a report on diocesan askings and givings.

CYNTHIA BLACK, REPORTING FOR CONGREGATIONS IN MINISTRY

CIM will hear from four visitors – Brent Dahlseng, a representative from the Evangelical Lutheran Church in America (ELCA), Ann Bonner-Stewart, a young adult, Mel Ahlborn from the Episcopal Church and Visual Arts (ECVA) and Linda Tyson from the Pastoral Leadership Search Effort (PLSE). They will also receive an update on women in ordained ministry, consider Constable Fund grant applications, and discuss the revised by-laws.

CATHERINE ROSKAM, REPORTING FOR INTERNATIONAL CONCERNS

INC is happy to receive Bishop John Paterson, Chairman of the ACC and Bob Sessum, one of our representatives to the ACC. Linda Curtiss of the Church Pension Fund will report on the progress in overseas pensions, and staff members Alex Baumgarten and Emmanuel Sserwadda will report on their

recent trip to Africa. The committee will also have a discussion about primates in the ACC and receive a report from the Anglican Women's Network.

KWASI THORNELL, REPORTING FOR NATIONAL CONCERNS

NAC will hear from Katrina Browne and view her video. They will review Jubilee ministries and follow up on reports.

Ted Yumoto was introduced to explain the process of the final evaluation of the triennium.

OPENING REFLECTIONS FROM THE CHAIR AND VICE CHAIR

Bishop Griswold gave an update of his travels since the January meeting in Des Moines. There was an extended visit to the Diocese of Los Angeles, beginning with the ordination of 14 priests. He attended a Program, Budget and Finance meeting in Columbus, and commented that it has been extremely helpful to have had Pan Adams, Chair of PB&F, attend the Executive Council meetings. The focus of the budget is mission; the need to support fully the needs of the ACC was underscored. Bishop Griswold traveled to Cuba and met with clergy there. Clergy are divided – both pro-Castro and those critical of the government, but all are opposed to the blockade – “El Blocaado”. He also had the opportunity to speak with Fidel Castro and reported that it was a lively and spirited exchange.

Dean Werner reported that legislative committee appointments have been made. As he ends his term as President of the House of Deputies, he urges all to continue to think about how we can do better; do things in a different way. He asks for support by way of a resolution to General Convention that the two houses elect the Presiding Bishop. He also reminded everyone that we must be good stewards. In Canada, when the Presiding Bishop is elected, he is also installed, and this is very cost effective. Some senior members of PB&F and A&F will have an early meeting with the new Presiding Bishop to provide a picture of how the financial piece works.

Bishop Griswold then introduced Bishop John Paterson, Chairman of the ACC. Bishop Paterson thanked Bishop Griswold for making it possible for him to attend. He offered a personal apology and said that he was saddened by what took place at ACC13 in Nottingham in June. He commended our ACC members for the manner in which they represented themselves and said that he had listened to their presentations at Nottingham with appreciation. He said that the Anglican Church needs the Anglican Communion, and the Anglican Communion needs the Episcopal Church.

There was a short break, and the remainder of the morning was spent in private conversation.

Holy Eucharist and Lunch Break.

MONDAY AFTERNOON

Bishop Griswold introduced Abigail Nelson of Episcopal Relief and Development. Abigail gave an overview of the work of ERD. She spoke of both the international and domestic work that the agency addresses, including Program Strategy, Food Security, Food Adequacy, and Primary Health Care, and gave an update on the work in areas affected by Hurricane Katrina.

Additional time was allowed for private conversation, continuing from the morning session, and then the rest of the afternoon was spent in committee.

TUESDAY MORNING, 3/7/06

Dean Werner introduced Gregory Straub for announcements. Items for the consent calendar should be given to the Secretary by tomorrow at 2:30. The consent calendar will be announced at that time.

A compilation of responses from the final evaluation sheets are in the mailboxes.

Dean Werner introduced Brent Dahlseng, a representative of the Evangelical Lutheran Church of America. Mr. Dahlseng brought greetings from Mark Hanson, Presiding Bishop of the ELCA, and spoke of some of the mutual challenges our churches face.

Next, Clayton Matthews, Bishop for the Office of Pastoral Development, spoke of the work his office is doing, including a conference for new bishops and spouses and a peer coaching program.

The rest of the morning was spent in committee.

TUESDAY AFTERNOON

The first part of the afternoon was devoted to a final evaluation, facilitated by Steve Lane, Ted Yumoto and Bonnie Anderson. Based on the responses from the evaluation sheet, some of the more prominent positive aspects of the meetings were worship, community building, fellowship, committee work, private conversation and improved Spanish translation, with special thanks to David Beers, Michael Ingham and Steve Lane. Some of the less satisfying aspects were poor communication within council and between council and the church, the perception of cliques, too many Monday-Thursday meetings and too many people arriving late and leaving early. There were many site-specific complaints. The predominant negative was that we did not meet in Province IX. Table groups were asked to discuss and report on 3 things to continue and 3 things to change.

Some recommendations for the next triennium are:

- Use of website for posting call to meeting letter, minutes and reports
- Continue diverse worship
- Affirm anti-racism training
- Work with the new Presiding Bishop regarding what our role is and the work we do
- Be more in touch with the standing bodies of the Church

Margaret Larom, Director of the Office of Anglican and Global Relations (AGR), spoke of her office's work in Africa and on behalf of Africa. Staff members Alex Baumgarten and Emmanuel Sserwadda reported on their recent trip to Sudan and northern Uganda. The trip to Sudan was informative and exciting, and they were able to attend a provincial synod meeting. In northern Uganda, they met with at least 8 bishops and were well received.

Next, Ed Rodman introduced Katrina Browne and Zena Link, both of Episcopal Divinity School. Katrina's ancestors, the DeWolf's of Bristol, Rhode Island, were involved in the slave trade, and she is working on a documentary film "Traces of the Trade". Zena is an anti-racism trainer and has been working with Katrina. Fifteen minutes of a rough cut of the film was shown to Council. The film was well received and members expressed the hope that it would be available to show at General Convention.

WEDNESDAY MORNING, 3/8/06

The first part of Wednesday morning was spent in committee. A change in the agenda for the afternoon session was announced. Committee time would be extended to 5:00 p.m., with a plenary session beginning at 5:15 p.m. Committees were reminded to elect a person to represent their committee at the first agenda planning meeting for the November 2006 Executive Council meeting. The consent calendar was called:

NAC 043 A&F 099a A&F 104 A&F 106 INC 066 INC 068

Bishop Griswold introduced Reynolds Cheney, Chair of the House of Deputies Committee on State of the Church. Reynolds gave a synopsis of the recommendations of the committee. Recommendations include

- That the new Presiding Officers keep in mind the importance of continuity when making appointments.
- That Kirk Hadaway should be a consultant with State of the Church
- That the Chair of State of the Church be invited to Executive Council meeting every year to present.

Executive Council members and guests walked to St. Mark's to join the congregation at their noon service.

WEDNESDAY AFTERNOON

The first part of the afternoon was spent in committee. Plenary reconvened at 5:15 p.m.

Thom Chu introduced Ann Bonner-Stuart, a student at Berkeley Divinity School at Yale to discuss her experiences in two of the Episcopal Church's domestic internship programs and how they impacted her faith journey.

Next, Thom introduced Lynda Tyson, the coordinator of the Pastoral Leadership Search Effort (PLSE), to describe the work of the program, which is a brainchild of the Fund for Theological Education. Eight months ago, they moved their offices to the Church Center at 815 Second Avenue in New York. PLSE looks at clergy and lay leadership, but most of their statistics are for clergy because they are easier to track. One-third of parish clergy can be expected to retire within the next six and a half years. Ordination of people younger than 35 has declined. PLSE hopes to change the discernment process at congregational and diocesan levels. Their grant period is coming to an end, and they are looking for funding to continue the program.

The meeting recessed for dinner. Dinner was followed by a program honoring the Presiding Officers, both of whom will end their terms later this year.

THURSDAY MORNING, 3/9/06

COMMITTEE REPORTS

CONGREGATIONS IN MINISTRY (CIM)

Cynthia Black reported that in addition to resolutions, the committee heard from Ann Bonner-Stuart, Lynda Tyson, and Brent Dahlseng of ELCA. Another guest of the committee was Mel Ahlborn from ECVA, who showed the work being done by her group. Cynthia made the observation that this work was all being done by volunteers, and perhaps we are taking advantage of those volunteers. The committee heard a report from Margaret Rose's office following up on A045 (GC 03) regarding women clergy. Cynthia presented the following resolutions for consideration:

CIM 045 - Adopted

TO: The Executive Council
FROM: The Standing Committee on Congregations in Ministry
RE: Study of Process for the Election of a Presiding Bishop

DATE: March 8, 2006

Resolved, That the Executive Committee, meeting in Philadelphia, PA, on March 6-9, 2006, endorse a study during the next triennium of the process for the election of a presiding bishop in light of our polity which recognizes the shared governance responsibility of laity, clergy, and bishops, and urge its members to co-sponsor a resolution to this effect for the 75th General Convention.

Explanation

The polity of our church requires the involvement of laity, clergy and bishops. Our belief in the ministry of the baptized demands the participation of the laity. The cost of the current nomination process raises significant stewardship issues. If adopted, this study would go to the Standing Committee on Structure for work

CIM 046 – Adopted

TO: The Executive Council
FROM: The Standing Committee on Congregations in Ministry
RE: Constable Fund – Migration Ministry
DATE: March 8, 2006

Resolved, That the Executive Council, meeting in Philadelphia, PA, March 6-9, 2006, approve the proposal of Episcopal Migration Ministries to provide information on post-Katrina evacuee efforts with a grant of \$5,000 from the Constable Fund.

CIM 047 – Adopted

TO: The Executive Council
FROM: The Standing Committee on Congregations in Ministry
RE: Constable Fund - Clergy Deployment Office
DATE: March 8, 2006

Resolved, That the Executive Council, meeting in Philadelphia, PA, March 6-9, 2006, approve the proposal of the Church Deployment Office to redesign the deployment efforts by focusing on congregational transitions and on the preparation and testing of a survey with a grant of \$70,000 from the Constable Fund.

CIM 048 – Adopted

TO: The Executive Council
FROM: The Standing Committee on Congregations in Ministry
RE: Constable Fund – Young People/Anglican Global Relations
DATE: March 8, 2006

Resolved, That the Executive Council, meeting in Philadelphia, PA, March 6-9, 2006, approve the proposal of the Ministries With Young People Cluster and Anglican Global Relations to provide for the first evaluation of the Young Adult Service Corp since its inception with a grant of \$26,000 from the Constable Fund.

Explanation

Annual income from the Constable Fund amounts to \$200,000. There is approximately \$100,000 available in 2006 for Constable Fund grants. We earlier approved \$56,000 to support the Province IX Youth Presence at General Convention. There is \$50,000 set aside as a reserve for 2006.

CIM 049 – Adopted

TO: The Executive Council
FROM: The Standing Committee on Congregations in Ministry
RE: Constable Fund – Project Relocation
DATE: March 8, 2006

Resolved, That the Executive Council, meeting in Philadelphia, PA, March 6-9, 2006, approve the proposal of Peace and Justice Ministries to use \$35,000 allocated from the Constable Fund in 2005 to take elected leaders to the Holy Land for an exchange of lay and clergy leaders from the US and the Middle East.

Explanation

The earlier allocation to take elected leaders to the Holy Land is now illegal under US law. This proposal continues the focus on the Holy Land and fosters learning between leaders in the US and the Middle East.

Regarding CIM 050, there was a question of what the Anglican Conference in South Africa is. Brian Grieves explained that the focus is on mission and that MDG's will be highlighted at that conference. Cynthia further explained that even though it is March and seems too early to use reserves, if they are not spent now there probably won't be time.

CIM 050 – Adopted

TO: The Executive Council
FROM: The Standing Committee on Congregations in Ministry
RE: Constable Fund – South Africa Anglican Conference
DATE: March 8, 2006

Resolved, That the Executive Council, meeting in Philadelphia, PA, March 6-9, 2006, approve the proposal of Peace and Justice Ministries to support the development of a South African Anglican Conference to be held February 2007, utilizing the money available from the 2006 Constable Fund reserve (\$50,000).

Explanation

The amount being sought to support this Conference is \$75,000. The Constable Fund reserve will be drawn down first. \$25,000 will be sought from other sources. The Executive Council will not meet again until next fall. An allocation at that time would be too late.

CIM 051 – Adopted

TO: The Executive Council

FROM: The Standing Committee on Congregations in Ministry
RE: Leadership for the Committee on the Visual Arts
DATE: March 8, 2006

Resolved, That the Executive Council, meeting in Philadelphia, PA, March 6-10, 2006, ask the Officers of Executive Council to convey to their successors the importance of appointing members to the Executive Council Committee on the Visual Arts and assisting with its administration.

Explanation

The Committee on the Visual Arts during this triennium was established to provide a liaison between the Episcopal Church and Visual Arts community (ECVA). Though we've made a good beginning, much remains to be done as we consider how to anchor the work in the life of the church.

There was a discussion of the Parochial Report, the additional line reporting contributions to theological education and whether it belongs on the Parochial Report, and the fact that the Episcopal Church does not provide centralized support to its seminaries.

CIM 052 – *Adopted with one abstention*

TO: The Executive Council
FROM: The Standing Committee on Congregations in Ministry
RE: Parochial Reports and 1% Contribution to Theological Education
DATE: March 8, 2006

Resolved, That the Executive Council, meeting in Philadelphia, PA, March 6-10, 2006, direct the Committee on the State of the Church to restore a line in the Parochial Report for reporting congregations' 1% contribution to theological education.

Explanation

The past decision by the Committee on the State of the Church to remove the line for reporting 1% contributions to theological education has had a negative effect on seminary funding. It has also made it very difficult to track what funds are available.

Cynthia thanked the committee and the staff for all their work over the triennium and Bishop Griswold thanked Cynthia for chairing CIM with such grace and for her playful spirit.

This concluded the report of the Congregations In Ministry committee.

INTERNATIONAL CONCERNS (INC)

Catherine Roskam told Council that the INC committee had time to speak in depth about the issues they were addressing. This included the conference of Anglican Women, a report from Linda Curtiss of the Church Pension Group, reporting on parity in pensions for clergy in overseas dioceses, the Executive Council By-laws, and MDG's.

The following resolutions were presented:

INC 067 – Adopted

TO: The Executive Council
FROM: The Standing Committee on International Concerns
RE: Theological Education in Latin American and the Caribbean
DATE: March 8, 2006

Resolved, That the Executive Council of the Episcopal Church meeting in the Philadelphia, Pennsylvania March 6-9, 2006, commends the work of “Comicion para Educacion Teologica para Latioamerica y el Caribe” (CETALC),* and urges that members of that body along with members of the Executive Council be appointed by the Executive Council to begin a process that could lead to the establishment of a center for theological education and studies, and that the center be established in one of the Dioceses of Province IX; and be it further

Resolved, That the committee for theological education gives a preliminary report to the Standing Committee on International Concerns at the November 2006, Executive Council meeting.

Explanation

The experience of the Episcopal Church in Latin America and the Caribbean is such that there is an urgent need for better quality theological education and formation leading to the ordained ministry, specialized vocational lay ministries and continuing education for the clergy and laity who serve the Hispanic communities in Latin America and the USA. The urgency is consistent with the general concerns regarding quality theological education being expressed throughout the Anglican Communion.

The major formation of clergy for the IX Province took place at the Theological Seminary of the Caribbean which was housed in Puerto Rico until its closing in 1977. Since then there have been several conversations about the establishment of a viable center for theological education for Latin America and the Caribbean. A few dioceses now conduct their own theological education with limited financial and human resources.

The closing of the seminary in Puerto Rico has resulted in the generating of funds to be used for theological education in Latin America. It is believed that some of those funds can be used for the work of the committee as well as provide for the initial phase of the establishment of a center for theological education of a high standard compatible with our established seminaries in the USA.

*CETALC=Commission for Theological Education for Latin America and the Caribbean.

INC 069 – Adopted

TO: The Executive Council
FROM: The Standing Committee on International Concerns
RE: Thanks to Bishop John Paterson
DATE: March 8, 2006

Resolved, That the Executive Council meeting in Philadelphia, PA, on March 6-9, 2006, expresses gratitude to the Right Reverend John C. Paterson, Chair of the Anglican Consultative Council, for his grace-filled, challenging and compassionate presentation to us at this meeting.

Cynthia Black showed a video from the meeting in Brazil of the World Council of Churches. Sarah Taylor Harte was congratulated on her election to the central committee of the WCC. Sarah said that there was a movement to include youth, women and lay people (she fits into all three categories), and she thanked Bishop Christopher Epting for sacrificing his seat for her.

Cathy thanked her committee, all the program staff and support staff, and said that it has been a great privilege to serve. Bishop Griswold thanked her for her passionate and urgent voice and clear reminder of our need to take seriously the place of women in the Church.

This concluded the report of the International Concerns Committee.

NATIONAL CONCERNS (NAC)

Kwasi Thornell thanked Cynthia Black for her gift of videography, thanked program staff and his committee, especially Becky Snow who kept them on point and served as secretary. He presented the following resolutions:

NAC 043 – Adopted with 2 abstentions

TO: Executive Council
FROM: Standing Committee on National Concerns
DATE: March 6, 2006
RE: SRI Resolutions

Resolved, That the Executive Council, meeting in Philadelphia, Pennsylvania from March 6 to 9, 2006, instructs the Treasurer to vote in favor of all resolutions asking companies to report on their policies and procedures for ensuring that all personal and private information pertaining to customers will remain confidential (although there is no Episcopal Church policy in this area, the SRI Committee is of the opinion that the request made in the resolution is consistent with good management practices); and be it further (Att. 1)

Resolved, That the Executive Council instructs the Treasurer to vote “abstain” on all resolutions asking companies to report on progress toward making animal-slaughter techniques more humane (the SRI Committee is of the opinion that the proponents of this resolution—who are not members of the Interfaith Center on Corporate Responsibility but rather an animal-rights group—are ultimately seeking to end all human consumption of animals, and the Episcopal Church does not have policy relating to that goal); and be it further (Att. 2)

Resolved, That the Executive Council instructs the Treasurer to vote in favor of all resolutions requesting that companies report on the use of depleted uranium in weapons (based on General Convention resolution D187 of 1991 and D022 of 1997; although this shareholder resolution deals with nuclear warheads and conventional weapons, the analysis of these Episcopal Church policy statements holds for depleted-uranium weapons and the spirit of this resolution is similar to that of other shareholder resolutions that the Episcopal Church has voted for in the past); and be it further (Att. 3)

Resolved, That the Executive Council instructs the Treasurer to vote in favor of all resolutions asking companies to report on the use of public-health services by company employees (based on General Convention resolution A130 of 2003); and be it further (Att. 4)

Resolved, That the Executive Council instructs the Treasurer to vote “abstain” on all resolutions asking companies to report on racial disparities in mortgage lending (the SRI Committee concluded that this resolution, which addresses a topic normally covered by Episcopal Church policy, was based on faulty research and premises by the resolution’s proponents; the Episcopal Church also has an ongoing and productive predatory-lending dialogue with this particular company); and be it further (Att. 5)

Resolved, That the Executive Council instructs the Treasurer to vote in favor of all resolutions asking companies to amend their policies to bar intimidation of company employees exercising their right to freedom of association based on the Executive Council’s resolution of October/November 1991). (Att. 6)

Attachment 1
Confidentiality of Personal Information
Bank of America

WHEREAS, in December of 2004, Bank of America lost computer data tapes containing the confidential information of 1.2 million federal employees; in May of 2005, about 60,000 Bank of America customers were notified that their personal information had been stolen; also in May of 2005, about 18,000 California Bank of America customers had their confidential data compromised when a laptop computer was stolen; and in August of 2005, another laptop computer that was stolen contained the unencrypted confidential information of an unknown number of Bank of America customers.

WHEREAS, current company policies and procedure have not been effective in preventing the loss or theft of customer information.

WHEREAS, breaches of security clearly threaten our company's reputation and shareholder value.

WHEREAS, continued breaches of security could lead to additional litigation in the future and increased financial liability.

WHEREAS, such release of customer personal financial data could also lead to increased regulatory oversight and state and federal legislation, negatively impacting shareholder value.

WHEREAS, throughout 2005, security breaches have made headlines. ChoicePoint notified 162,000 consumers that their personal information had been improperly accessed. Time Warner disclosed the loss of computer tapes containing the personal data of about 600,000 former and current employees. Citigroup said data on 3.9 million of its customers had been lost. LexisNexis admitted that unauthorized individuals had accessed the personal information of 310,000 Americans.

WHEREAS, banks and credit agencies, including Bank of America, have been sued by customers for privacy breaches. A lawsuit was also filed against ChoicePoint by shareholders seeking damages because the company's stock price fell following its disclosure that confidential information had been provided to identity thieves.

WHEREAS, the U.S. Congress has been holding hearings and drafting legislation to provide consumers with greater protection from identity theft.

THEREFORE, BE IT RESOLVED that the Board of Directors report to shareholders no later than July 2006 on the company's policies and procedures for ensuring that all personal and private information pertaining to all Bank of America customers will remain confidential in all business operations. This report should also cover policies relating to those employees of contractors and subcontractors hired by the company.

Attachment 2
Humane Slaughter Techniques
McDonald's

WHEREAS, on its Web site, McDonald's states that "treating animals with care and respect is an integral part of an overall quality assurance program that makes good business sense" and that "animals should be free from cruelty, abuse and neglect"; and

WHEREAS, McDonald's has already made commendable steps toward improving animal welfare; and

WHEREAS, despite its commitment to animal welfare, McDonald's continues to purchase chickens from suppliers that use the outdated method of electrical stunning, in which the birds' legs are snapped into metal shackles and the birds are shocked with an electric current, have their throats slit, and are dropped into tanks of scalding-hot water so that they are often still conscious when they suffer this hideous cruelty; and

WHEREAS, acknowledging the cruelty of electrical stunning and the need for humane slaughter methods in order to retain a competitive advantage, our company commissioned an *Animal Welfare Feasibility Study of Controlled Atmosphere Stunning for Broilers* ("the report") that addresses the feasibility of phasing in a method of slaughter called "controlled-atmosphere killing" (CAK), which replaces the oxygen that birds are breathing with inert gasses, gently and effectively putting them to sleep; and

WHEREAS, the report concurred that CAK is, as animal welfare experts have described it, the most humane method of poultry slaughter ever developed and admitted that CAK "has advantages [over electrical stunning] from both an animal welfare and meat quality perspective ... obviates potential distress and injury ... can expeditiously and effectively stun and kill broilers with relatively low rates of aversion or other distress" and would eliminate the pain of premature shocks and inadequate stunning that are associated with electrical stunning; and

WHEREAS, the report further concludes that McDonald's European suppliers that use CAK have experienced improvements in bird handling, stunning efficiency, working conditions, and meat yield and quality; and

WHEREAS, although CAK is optimal for both the birds and for profit, McDonald's has yet to implement it and has asserted a need for further research despite the fact that CAK has been widely and successfully used in Europe for nearly a decade and that there is no competing scientific claim suggesting that CAK is not optimal for animal welfare; and

WHEREAS, in its report, McDonald's represents that it will "accelerate further developmental work" on CAK but provides no timeline or plan of action; and

WHEREAS, considering that McDonald's commits on its Web site to "lead our industry [by] working with our suppliers and industry experts to advance animal welfare practices and technology," if McDonald's aspires to be the industry leader, then it must truly "accelerate" the development of CAK as promised and not merely delay it under the guise of needing further study;

NOW, THEREFORE, BE IT RESOLVED that shareholders request that the Board of Directors issue interim reports to shareholders following the second, third, and fourth quarters of 2006 that detail the progress made toward accelerating development of CAK.

¹These are the same improvements that Hormel Foods recently touted in a letter to PETA regarding CAK.

Attachment 3
Use of Depleted Uranium
Textron Corporation

RESOLVED: The shareholders of Textron Corporation request that the Board of Directors prepare a report for shareholders within six months of the 2006 annual meeting, excluding proprietary information, to include:

1. Brief history of our company's involvement in the production of DU weapons component, e.g. dates awarded contracts, criteria for decision to bid for the contracts, contract renewal dates.
2. Human workplace and environmental safety precautions, e.g. safeguards in place for transportation, storage and waste disposal monitoring.
3. Health and safety record at facility, i.e. have there been accidents, incidents involving production, storage or transport of weapons or DU weapon components.
4. Financial arrangements, e.g. profits from contracts; offsets from lobbying costs; liability in the event of an accident/incident.
5. Policies and procedures for cooperating fully with persons, organizations and agencies planning and carrying out health/safety assessment studies, e.g. providing all necessary information.

Supporting Statement: Depleted uranium used in industry and weapons may be toxic and may cause miscarriages, stillbirths, birth defects and a myriad of diseases. This illustrates a mounting health and safety problem and confirms that no amount of radiation is hazard-free.

Continued production, transport, and storage of depleted uranium increases health and safety risks for residents in communities surrounding the manufacturing facilities in addition to the probability of combat confrontations, worker compensation, veteran injury and property loss cases leading to billions of dollars in damage claims.

The Department of Defense in its 2001 base closings report has conceded depleted uranium ammunitions, missile components, warheads and air launched projectiles tested at military bases in 36 US states has caused contamination.

Debate has grown domestically and internationally around health and safety hazards arising from the process of depleted uranium weapons production beginning with uranium mining and extending to waste disposal.

The proponents of this resolution believe that corporations involved in the production and development of weapons designed to destroy with mega-deadly force have a social and ethical responsibility to explain to shareholders and stakeholders the policies and decision-making processes which justify the production of depleted-uranium and radiation-related weaponry.

We believe it appropriate for shareholders to raise concern about our company's dependency upon depleted uranium-related weapons contracts because of adverse affects to our company's image and exposure to legal actions in the event of an accident/incident.

From both moral and humanitarian points of view receiving information from our company's management on depleted uranium weapons development and depleted uranium delivery systems became more critical as we watched Gulf War I and II appropriations weighed against Federal allocations for veteran healthcare costs and military base closings clean ups.

Attachment 4
Report on Use of Public Health Services by Employees
Wal-Mart

RESOLVED: Shareholders request the Board of Directors report on the public health services used by Wal-Mart in its domestic operations. We suggest this report:

- Collect publicly available data on the rate of use of public assistance benefits by Wal-Mart Associates and their families. These benefits include but are not limited to Medicaid, Food Stamps, children's immunization programs, and children's health insurance programs.
- Report any other information possessed by Wal-Mart on the rate of use of public assistance benefits by Wal-Mart Associates and their families, including any data generated by employee surveys or prepared by 3rd parties retained by Wal-Mart.
- Include the costs paid by state and local governments related to use of public assistance benefits by Wal-Mart Associates and their families, where such information is available to Wal-Mart.
- Be prepared at a reasonable cost, omit proprietary information or any information which would violate our company's employee confidentiality policies, and be available within six (6) months of the 2006 annual shareholders meeting.

Supporting Statement: The issue of Wal-Mart's impact on governments' health care systems plays a significant role in our corporate brand and reputation, relationships with policy-makers and regulators, and ability to site new stores. Accordingly, this significant public policy issue should be dealt with at the Board level, with appropriate reporting to shareholders.

Several recent studies by governments and academics allege that Wal-Mart employees account for a disproportionate share of government services, especially health care. Wal-Mart's internal research, a confidential memo to our Board leaked to the media in October, found almost half of Associates' children are on public assistance or uninsured.

Even in per capita terms, Wal-Mart is alleged to have the greatest number of employees and dependents enrolled in tax-payer subsidized health programs by a number of studies. In Iowa, for example, state government found 5% of Wal-Mart employees enrolled Medicaid in 2004. We are the second-largest employer in Iowa, but the top employer had only 1.5% of its employees in Medicaid.¹

Susan Chambers, the Company's executive vice president of benefits administration, recently informed our Board that "health care is one of the most pressing reputation issues facing Wal-Mart," and "Wal-Mart is under serious attack from state governments." We observe state and local governments considering legislative remedies.

Data on this topic is occasionally available from government, academic, and non-profit organizations. However, it is diffuse and difficult for shareholders to access and evaluate. In addition, Wal-Mart maintains internal information which is made available only on an ad hoc, unpredictable basis.

Management has disclosed some information about the health benefits offered to employees. This does not address the public policy issues raised in the proposal.

We believe it is in shareholders' interest to systematically know the extent of this issue. Investors should not be forced to rely on leaks and third-party reports in order to make informed decisions of company value.

¹ Ryan Foley, "845 Wal-Mart Employees on Medicaid in Iowa," Associated Press (March 4, 2005).

Attachment 5
Racial Disparities in Mortgage Lending
Wells Fargo

WHEREAS, there are wide disparities between the interest rates charged to African-American and Latino families compared to white families, according to Home Mortgage Disclosure Act data filed by lending institutions.

According to the Federal Reserve 32.4% of conventional first mortgages to African-American borrowers were “high-cost” versus just 8.7% of similar loans to white borrowers. The Federal Reserve defines “high cost” as an annual percentage rate (APR) of 3% above a comparable Treasury security on a first mortgage and 5% above a comparable Treasury security on a second mortgage. African-American families are 3.7 times more likely than white families to receive a high-cost mortgage, raising their cost of homeownership.

Even after adjusting for such factors as income levels of borrowers, location, loan amounts and type of lender, unexplained disparities remain in the Federal Reserve’s analysis: African-American home borrowers receive high cost loans 15.7% of the time; Latino borrowers 12.2% of the time, and white borrowers 8.7% of the time.

Racial disparities in Wells Fargo’s HMDA data are also pronounced. Of Wells Fargo’s conventional first-lien mortgages (unadjusted for income, location, loan size, and lender type), high cost loans made up 29.5% of the loans to African-Americans, 12.6% of the loans to Latinos, and 7.6% of the loans to whites. African-Americans were 3.9 times more likely than whites to receive a high cost loan and Latinos were 1.7 times more likely than whites.

In April 2005, New York Attorney General Eliot Spitzer asked Wells Fargo and three other large banks for information on loan conditions and credit scores as he investigated whether the racial disparities in high cost loans violated state laws. According to Spitzer, Wells Fargo’s African American customers in New York were three times more likely than whites to receive high cost loans, at JP Morgan Chase and Citigroup the disparity was 2-to-1 and at HSBC, 1.5-to-1. (Source: *Washington Post* 6/25/2005) Rather than comply with Spitzer’s request, Wells Fargo joined others in successfully suing the Attorney General arguing that he had no jurisdiction over a federally chartered bank.

Shareholders request that the Board of Directors prepare a special report, providing explanations of racial and ethnic disparities in the cost of loans provided by the company. The report shall discuss the following questions:

- 1) How does Wells Fargo explain the racial and ethnic disparities pertaining to high cost mortgages revealed in the company’s Home Mortgage Disclosure Act data?
- 2) Does Wells Fargo believe that the company’s racial and ethnic disparities in high cost loans affect the home affordability or wealth-building benefits of homeownership for their minority customers?
- 3) Does Wells Fargo believe some of these disparities are explained by the racial wealth divide prevalent in the United States? If so, what does Wells Fargo believe can be done to lessen this divide?

This report, prepared at reasonable cost and omitting proprietary information, shall be available to all shareholders, upon written request, no later than September 30, 2006.

Attachment 6
Ban Worker Intimidation
Wal-Mart

WHEREAS: The reputation and economic value of our company are at risk due in part to numerous serious allegations of unfair treatment of Wal-Mart associates and contract supply chain workers. These charges have been investigated by the US Congress and featured prominently in international media coverage.

A report by the Democratic staff of the US House Committee on Education and the Workforce documented class action lawsuits on gender discrimination in pay and opportunities for advancement; litigation for withholding of earned wages and forcing associates to work unpaid overtime hours; and aggressively discouraging workers from exercising their right to freedom of association.

A handbook provided to company managers states "Wal-Mart is opposed to unionization of its associates." But the company appears to have moved beyond opposition to repeatedly violating federal labor laws. Between 1998-2003, at least 288 unfair labor practice charges were lodged against the company, accusing it of interfering with employees' freedom of association. 94 of these charges resulted in formal complaints against our company by the National Labor Relations Board. Federal prosecution of unfair labor practices resulted in 11 rulings against the company and 12 settlements. (Source: American Rights at Work)

The company has a double standard on workers' rights. It opposes unions in North America but allows unionization of retail stores in China. Chinese unions are used primarily as a means of party control over workers; independent unions are illegal. The same unions are the only ones allowed in Chinese supplier plants where \$15 billion of goods are made for our company under conditions that often violate International Labor Organization core labor standards. Worker exploitation in supplier factories can damage our company's reputation and lead to the loss of brand value.

Promotion of human rights is a cornerstone of foreign policy, says the US State Department. How can we inspire other countries about democracy and human rights when management tolerates intimidation of US workers? Harassment of workers who talk to unions, forced overtime and locking employees in stores are considered human rights violations by ILO in overseas supplier factories. We believe they are human rights violations when they occur in a US Wal-Mart as well.

These policies contribute to a broad public perception that management has not dealt with workers fairly. An August 2004 memo done for Wal-Mart by McKinsey & Co. said a national survey of 1,800 consumers concluded "sincere concerns exist that Wal-Mart is not treating its employees well, is too aggressive, and is hurting local communities."

"Wal-Mart's stock price has fallen 27 percent since 2000...a drop that many have attributed, in part, to investors' anxiety about the company's image," notes The New York Times (Nov. 1, 2005).

RESOLVED: Shareholders request that directors amend the company's Equality of Opportunity policy to bar intimidation of company employees exercising their right to freedom of association. The company should develop systems to prevent future violations of federal labor law from occurring and publish periodic reports to shareholders on its progress.

Policy support for proxy voting recommendations

For Attachment 3

Resolution Number: 1991-D187
Title: Study and Report on the Issue of the International Sale of Armaments
Legislative Action Taken: Concurred As Substituted
Final Text:

Resolved, the House of Deputies concurring, **That the 70th General Convention of the Episcopal Church express its deep concern over the actions of the United States and other arms-producing nations that have contributed to the sale and spread of arms and armaments to other nations throughout the world; and be it further**

Resolved, **That this General Convention direct the Standing Commission on Peace with Justice to study this issue of the sale and spread of all types of armaments and report its findings to the 71st General Convention; and be it further**

Resolved, **That the study by the Standing Commission on Peace with Justice be conducted as a part of its routine work in the coming triennium without the expenditure of any funds other than those allocated for the normal work of that commission.**

Citation: General Convention, *Journal of the General Convention of...The Episcopal Church, Phoenix, 1991* (New York: General Convention, 1992), p. 773.

For Attachment 3

Resolution Number: 1997-D022
Title: Support the Goal of Total Nuclear Disarmament
Legislative Action Taken: Concurred as Substituted
Final Text:

Resolved, That the 72nd General Convention of the Episcopal Church support the goal of total nuclear disarmament; and note with appreciation and pleasure the progress that has been made toward this goal; but inasmuch as the production, testing and deployment of nuclear weapons continue, more must be done to achieve that nuclear disarmament; and be it further

Resolved, That this General Convention urge the Government of the United States to exercise leadership among the nations, especially the nuclear weapons states, by immediately initiating negotiations for an International Treaty on Comprehensive Nuclear Disarmament in all its aspects to include a deadline for the completion of nuclear disarmament; and be it further

Resolved, That this General Convention support the World Campaign to Abolish Nuclear Weapons and encourage Episcopalians to sign the Campaign's Citizens Pledge on Nuclear Weapons Abolition; and be it further

Resolved, That this General Convention call upon the comparable bodies in our sister Churches in the Anglican Communion to speak out in a similar way to their civil authorities and governments so that the world-wide Anglican Communion works in concert for total nuclear disarmament; and be it further

Resolved, That this resolution be transmitted by the Secretary of General Convention to the President of the United States, the Secretaries of State, Defense and Energy, the appropriate Members of Congress, the Secretary General of the United Nations, the United States Ambassador to the United Nations, the Anglican Observer at the United Nations, and the Primates of the Anglican Communion.

Citation: General Convention, *Journal of the General Convention of...The Episcopal Church, Philadelphia, 1997* (New York: General Convention, 1998), pp. 231-232.

For Attachment 4

Resolution Number: 2003-A130
Title: Support the Establishment of a Living Wage
Legislative Action Taken: Concurred as Amended
Final Text:

Resolved, That the 74th General Convention of The Episcopal Church, through the Secretary of the Convention, call upon the President of the United States and members of Congress to establish a living wage including health benefits as the standard of compensation for all workers in the United States; and be it further

Resolved, That it is the policy of The Episcopal Church and its dioceses and congregations to provide employees with a living wage including health benefits and be a model for ethical labor practices; and be it further

Resolved, That it is the policy of The Episcopal Church to insist that companies in which the Church invests or with which it contracts provide their employees with a living wage and serve as a model for ethical labor practices; and be it further

Resolved, That the 74th General Convention continue to support living wage campaigns in the cities and counties of every diocese; and be it further

Resolved, That the 74th General Convention strongly affirm the right of workers to organize as protected by federal and state law especially in low wage industries and businesses and including the institutions of every diocese.

Citation: General Convention, *Journal of the General Convention of...The Episcopal Church, Minneapolis, 2003* (New York: General Convention, 2004), p. 341f.

For Attachment 6

EXC101991.22

Support for Labor Rights

Committee: Program (report 12)

Citation: Executive Council Minutes, Oct. 31-Nov. 4, 1991, New York, p. 22.

Resolved, That the Executive Council deplures reprisals taken against workers who exercise their rights to initiate collective bargaining as protected by federal and state statutes;

calls upon corporate and business leaders to respect the letter and the spirit of the National Labor Relations Act;

supports all working Americans, whether organized into unions or not, in the struggle to restore fairness in the workplace; and

calls upon our congregations and local communities to reach out to working people who have been denied their jobs, their respect and their livelihoods, joining with them in their struggle for justice and fair compensation.

There was some discussion of NAC 044. A title change was proposed and approved. An amendment with a change in wording was proposed and adopted. There was a request that INC be added to the resolution number. The Presiding Bishop was asked to take this on in a public way.

INC/NAC 044 – *Adopted*

TO: The Executive Council
FROM: National Concerns Committee
International Concerns Committee
DATE: March 8, 2006
SUBJECT: Opposing legislation making humanitarian acts unlawful

Resolved, That the Executive Council, meeting in Philadelphia, PA, March 6-9, 2006, declares its strong opposition to any legislation that would make it unlawful for faith based or humanitarian organizations to act to relieve the suffering of undocumented immigrants in response to the Gospel mandate to serve the least among us and our Baptismal covenant to seek and serve Christ in all persons and calls upon the people of the Episcopal Church to act on their baptismal covenant without regard to such unjust legislation.

Explanation

The Episcopal Church has a long tradition of advocating for the just and humane treatment of immigrants and refugees. In the current immigration debate, there is concern that attempts to change the US immigration system could infringe upon the rights and obligations of religious and humanitarian organizations to extend support and assistance to those who come to them for

help. The Gospel mandate to serve the least among us and the Baptismal covenant of the Church to seek and serve Christ in all persons are imperatives that call us to resist legislation that would make unlawful deeds of compassion done in the name of our faith. The Episcopal Church, therefore, identifies with expressions of other faith based bodies who have expressed opposition to proposed legislation that would inhibit the ability of churches, their members and agencies to relieve the suffering of those whom they are called to serve.

NAC 045 – Adopted

TO: The Executive Council
FROM: National Concerns Committee
DATE: March 8, 2006
SUBJECT: Showing “Traces of the Trade” to General Convention

Resolved, That the Executive Council meeting in Philadelphia, PA, March 6-9, 2006, urge the planners of the 75th General Convention to make every effort possible to show the film, “Traces of the Trade,” by Katrina Browne to the entire convention.

Explanation

The documentary being prepared by Ms. Browne speaks directly to the anti-racism work that the Council and the whole church have undertaken. It also illustrates the self-examination process that we have urged on the church through the A resolutions in our Blue Book report regarding slavery and its aftermath.

Kwasi gave thanks to Ed Rodman for bringing Katrina Browne to his attention and thanked Bishop Griswold for the gift of himself and his heart.

This concluded the report from National Concerns.

Next, Bishop Michael Ingham, our partner from the Anglican Church of Canada, was invited to speak. As the General Synod had not met since Bishop Ingham addressed Executive Council in January, he did not have an update on the ACC. He thanked the Executive Council for their inclusiveness and for intentionally inviting the world to be part of the Church. He reported that his term ends in 2007, so he will be with us for another year. He thanked the Presiding Officers for their extraordinary leadership, openness, courage and vulnerability.

Holy Eucharist and Lunch. Bishop Charles Bennison and members of the Diocese of Pennsylvania joined the Executive Council for lunch and gave a presentation about the works of the Diocese after lunch.

THURSDAY AFTERNOON

Two days’ offerings at Holy Eucharist amounted to \$1,476.56.
The **consent calendar** was called and adopted.

NAC 042 – Adopted

TO: Executive Council
FROM: Rose Brunell
DATE: January 31, 2006
SUBJECT: **Jubilee Programs**

Here is a list of Jubilee Programs to be reviewed by Executive Council on March 6-9, 2006.

NEW

1. Empowerment through Education Project for Sudanese (ETEPS)
114 West Roosevelt Street
Phoenix, AZ 85003
Jane Irvine
(Diocese of Arizona)
2. St. Stephen Center for Ministry
W. 4th Street & S. Maple Street
P.O. Box 353
Mt. Carmel, PA 17851
Faith Kirchhoff
Diocese of (Central Pennsylvania)
3. Transitional Housing Corporation
5101 16th Street, N.W.
Washington, DC 20011
Polly Donaldson
(Diocese of Washington)

REAFFIRMATION

4. St. Mark's Episcopal Church
710 East Buchanan Street
Plainfield, IN 46168
The Rev. Andrew Klatte
(Diocese of Indianapolis)
5. St. Philip's Episcopal Church
720 Dr. Martin Luther King Jr. Street
Indianapolis, IN 46202
The Rev. Richard Roos
(Diocese of Indianapolis)
6. Partners in Community Development
40 RiverFerry Way
Rochester, N.Y. 14608
Len Statham
(Diocese of Rochester)

A&F 099a – Adopted

To: Executive Council
From: Administration and Finance Committee
Date: March 9, 2006
Subject: Clergy Housing Allowance

Resolved, that Council hereby confirms and clarifies its action at its January 2006 meeting regarding housing allowances for clergy employed by the DFMS. As indicated in the resolution adopted at that meeting, the Council designates as a tax-deductible housing allowance pursuant to Internal Revenue Code Section 107 and Internal Revenue Service Regulations S1.107 the appropriate portion of the annual cash salary of such clergy, the specific amount in each instance to be calculated by official action of the Audit Committee upon appropriate documentation by the member of the clergy.

Explanation

This resolution clarifies that Executive Council has officially approved housing allowances for clerical members of the staff effective the first of this year and has delegated to the Audit Committee responsibility for confirming the specific dollar amount of the housing allowance for each such member of the clergy.

A&F 104 – Adopted

To: Executive Council
From: Administration and Finance Committee

Date: March 9, 2006
Subject: Trust Fund No. 1001

Resolved, that the income distributed during 2006 from Trust Fund No. 1001, The Allan and Florence Gerdau Fund, be used for the following programs in the amounts indicated:

Small Church Leadership Institute.....	\$ 17,903
Start Up Start Over.....	\$ 52,450
Leadership Development within Asiamerican, Black, Hispanic and Native American Ministries.....	\$ 77,627
Fresh Start.....	\$ 29,372
Office of Ministry Development: Ministry Development Initiatives and Leadership Development.....	<u>\$ 18,462</u>
Total.....	\$195,814

Explanation

The Allan and Florence Gerdau Fund (2004), Trust Fund 1001, established in February 2004 from a bequest received in 1989, indicates that though the income may be used for the general purposes and programs of the society, it was the donors' expectation, that the income be used where appropriate, for the education and training of ordained persons, reflecting the donors' desire. The use of the income of this Fund is to be determined annually by the Executive Council.

The income for 2006 will be \$195,814.93 based upon a rate of \$1.05 per share on 186,490.408 shares.

A&F 106 – Adopted

To: Executive Council
From: Administration and Finance Committee
Date: March 9, 2006
Subject: Trust Fund No. 815: The Vincent Astor Fund

Resolved, that 50 percent (50%) of the income from Trust Fund No. 815, The Vincent Astor Fund, be allocated to the Diocese of New York and 50 percent (50%) be allocated to the Diocese of Long Island for the period 2006 through 2008 pending receipt of appropriate accounting and narrative reports for previously disbursed funds.

Explanation

The income from Trust Fund No. 815, The Vincent Astor Fund, is restricted to projects within the five boroughs of New York City. Under the authority of an advisory council, the Astor Fund Committee disburses it, with final approval by the Executive Council. In 2003, the Executive Council passed a resolution covering 2003 through 2005. This resolution extends that authorization from 2006 through 2008

INC 066 – Adopted

To: The Executive Council

From: International Concerns
Date: February 27, 2006
Subject: Returned Mission Partners

Resolved, That the Executive Council express its appreciation for the following mission companions who faithfully completed their term of service:

Mr. Samuel Dargan - Diocese of South Carolina - served as Hospital Technical Assistant at Shyira Hospital in the Diocese of Shyira in the Episcopal Church in Rwanda. This appointment as a Young Adult Service Corps volunteer started on March 21, 2003, and ended on December 31, 2005.

Address: 1107 S Charleston Road - Darlington, SC 29532.

Ms. Nancy Dinsmore - Diocese of El Camino Real - served as the Holy Land Coordinator for the Development Office in the Diocese of Jerusalem in the Episcopal Church of Jerusalem and the Middle East. Her mission service started on September 21, 1998 and ended on January 31, 2006.

Address: 1054 Burgoyne Street - Mountain View, CA 94043.

Ms. Mary Caulfield - Diocese of Massachusetts - served as a Visiting Educator in the Diocese of Brasilia in the Anglican Episcopal Church of Brazil. Her mission service started on August 12, 2005 and ended January 6, 2006.

Address: 6 Crawford St, Unit 5 - Cambridge, MA 02139.

Ms. Jennifer Johnson - Diocese of Massachusetts - served as an HIV/AIDS Counselor with the Agape Counseling & Training Services in the Diocese of Maseno West in the Anglican Church of Kenya. Her mission service as a Young Adult Service Corps started on November 4, 2004 and ended on December 31, 2005.

Address: 86 Prospect St - Rockland, MA 02370.

Ms. Joyce Mason - Diocese of Albany - served as English Teacher at Epifania School in Villanueva in the Diocese of Honduras. Her mission service started on March 21, 2001 and ended on June 30, 2005.

Address: 407 Ashland, Hot Springs, Arkansas 71901.

INC 068 – *Adopted*

TO: Executive Council
FROM: International Concerns Committee
DATE: February 27, 2006
RE: EXTENDING A COMPANION DIOCESE RELATIONSHIP

Resolved, That the Executive Council meeting in Philadelphia, Pennsylvania from March 6 – 9, 2006 vote to recognize the extension of the existing Companion Diocese Relationship between

the Diocese of Tennessee and the Diocese of Litoral (Ecuador) for a period ending on December 31, 2008, unless further extended or terminated by mutual consent.

This concludes the consent calendar.

ADMINISTRATION & FINANCE (A&F)

Next to report was Josephine Hicks for A&F. Josephine announced that A&F 083 was withdrawn and would be referred to PB&F.

A&F 096 – Adopted

For: Executive Council
 From: Administration & Finance Committee
 Date: January 12, 2006
 Subject: 2006 Dividend Rates for the DFMS Trust Fund Portfolios

Resolved, That the dividend rate for 2006 for the DFMS Trust Fund portfolios available to support the operating budget of DFMS be set at \$1.05 per share; and be it further

Resolved, That the dividend rate for 2006 for Trust Funds in the DFMS Endowment Portfolio that are not available to support the operating budget of DFMS be set at \$1.05 per share.

Explanation

The recommendation of the DFMS Investment Committee, as indicated in the DFMS Statement of Investment Policy, is that the dividend rate (income payout rate) for the endowment portfolio be set at 5.0% of a five-year rolling average of year-end share value.

In adopting a budget for the 2004-2006 Triennium, the General Convention recognized that a dividend rate of 5.5% of a five-year rolling average of year-end share value would be required to support expanded ministry initiatives in view of potentially lower revenue. This calculation yields a payout rate for 2006 of \$1.05 per share, a decrease of 1.86% compared with the 2005 payout rate of \$1.07 per share.

These formulas are consistent with standards of prudent fiduciary conduct in the management of endowment funds and with general practice among university, foundation and other non-profit endowment funds.

Year Ending 12/31	Endowment Year-End \$ Market Value	Year-End \$ Value per Share	\$ Payout per Share
1993	165,047,128	12.97	\$0.53
1994	154,445,571	11.97	0.58
1995	181,706,358	14.03	0.66
1996	201,350,087	15.28	0.66
1997	234,560,896	17.58	0.72
1998	261,275,077	19.42	0.78
1999	328,505,375	23.11	0.87
2000	322,244,548	22.51	1.00
2001	288,077,082	19.95	1.08
2002	233,073,041	15.91	1.09
2003	286,424,423	18.96	0.97
2004	290,365,630	20.15	1.10

2005	297,874,833	20.48	1.07
2006			1.05

A&F 105 – Adopted

To: Executive Council
 From: Administration and Finance Committee
 Date: March 9, 2006
 Subject: Trust Fund #1009

Resolved, That Trust Fund #1009, The Phoebe Griswold Education Fund, be established to support the work of the Episcopal Church in furthering the empowerment of women for leadership and achieving gender equality throughout the Anglican Communion;

Resolved, That income be used, at the discretion of the Director of Women’s Ministries and the Director of Mission after consulting with the Treasurer, for seed money and scholarships for events and conferences that *a)* advance the goals of empowering women for leadership and achieving gender equality, and *b)* inform and educate women in a global perspective for ministry;

Resolved, That accumulated appreciation and/or principal may be withdrawn at the discretion of the Director of Women’s Ministries and the Director of Mission after consulting with the Treasurer. Beginning in January 2007, the directors may draw undistributed income and appreciation at any time but may only withdraw up to 50% of the principal received as of December 31, 2006 in any year thereafter.

Explanation

This trust is established as a fund with monies currently being raised by spouses of Bishops to honor the work of Phoebe Griswold and support the work of the Episcopal Church.

A&F 107 – Adopted

To: Executive Council
 From: Administration and Finance Committee
 Date: March 9, 2006
 Subject: Trust Fund #1008

Resolved, That Trust Fund #1008, the Benignus, Emma Lou Estate, be established, principal and income to be used solely by the Women in Mission and Ministry program or its successors.

Explanation

Trust Fund # 1008 Benignus, Emma Lou, Estate (2005). This fund was established with \$30,000.00 from the proceeds of the Benignus Remainder Unitrust Estate. Principal and income be used solely by the Women in Mission and Ministry program or its successor.

A&F 109 – Adopted

TO: The Executive Council
 FROM: The Standing Committee on Administration & Finance
 DATE: March 8, 2006

RE: Celebrating Bequests

Resolved, That the Executive Council, at its meeting in Philadelphia, March 6-9, 2006, receives with great joy and appreciation a new bequest from the Emma Lou Benignus Estate, establishing Trust Fund #1008, the principal and income to be used solely by the Women in Mission and Ministry program or its successor; and be it further

Resolved, That this bequest be celebrated through appropriate Episcopal news coverage.

A&F 108 – *Adopted*

TO: The Executive Council
FROM: The Standing Committee on Administration & Finance
DATE: March 9, 2006
RE: Episcopal Church of the Dominican Republic Draw from Trust Fund #767

Resolved, That a total of \$195,000 be withdrawn from Trust Fund #767 (Episcopate Endowment Fund 967, Missionary District of the Dominican Republic) and be remitted to the Episcopal Church of the Dominican Republic (IED) upon receipt of properly executed request from the Bishop and Standing Committee of the IED to assist the Church in its efforts to achieve self-sufficiency.

Explanation

This request for assistance comes from The Rt. Rev. Julio Cesar Holguin, Bishop of the Episcopal Diocese of the Dominican Republic.

Trust Fund #767 was established in 1967. Income was to be added to principal until further direction of the bishop. Bishop Holguin wishes to invest the undistributed appreciation and interest, which amounted to \$195,000 at December 31, 2005, in the Dominican Republic, where interest rates and investment returns are presently substantially higher than in the U.S.

There was some conversation around A&F 110. It was requested that the three persons appointed to this task force be readily available at little expense (for example – someone who lives in the New York area or is already in New York on a regular basis.)

A&F 110 – *Adopted*

TO: The Executive Council
FROM: The Standing Committee on Administration & Finance
DATE: March 8, 2006
RE: Episcopal Church Center Signage

Resolved, That a task force of at least three persons be appointed by the Executive Officers by the close of this meeting in Philadelphia to evaluate appropriate signage for the exterior of the Episcopal Church Center located at 815 Second Avenue, New York, New York, in order to facilitate accommodating requirements of potential tenants for the available lease spaces.

Explanation

Potential tenants have expressed concern about the existing signage and management has asked for assistance in dealing with this issue.

There was discussion around A&F 114, regarding whether the bookstore is about being a commercial enterprise that should at least break even, if not make a profit, or a ministry that makes the Church Center a welcoming presence.

A&F 114 – Adopted

TO: The Executive Council
FROM: The Standing Committee on Administration & Finance
DATE: March 8, 2006
RE: First floor space at the Episcopal Church Center

Resolved, That staff and the A&F task force assigned to consider alternative uses for the first floor space at the Episcopal Church Center (ECC), formerly used as a bookstore, continue its efforts to maximize potential use of this space consistent with the primary use of the building; and be it further

Resolved, That decisions regarding any such alternative uses shall be accomplished within the maximum \$34 million authorized for the renovation of the ECC.

Explanation

Alternative use of the spaces formerly used as the bookstore is now available as lease space as Episcopal Books and Resources was formed in 2005 for cost-effective purposes primarily as a web-based supplier of resources, merging the former Episcopal Parish Services and the Episcopal Book/Resource Center.

Next, there was some background information shared before voting on A&F 111. The history of the loan and odds of it ever being paid back were explained. Ken Kesselus spoke about the resolution and Kwasi Thornell spoke about his trip to Guam. Josephine thanked Ken, Kwasi, Ann Coburn and Kurt Barnes for their help with the Guam issue.

A&F 111 – Adopted with 1 abstention

TO: The Executive Council
FROM: The Standing Committee on Administration & Finance
DATE: March 8, 2006
RE: Repayment of past due advance – St. John’s School, Guam

Resolved, That the Executive Council meeting at Philadelphia, PA, on March 6-9, 2006, authorizes its presiding officers to designate an agent or agents, in consultation with members of the Episcopal Church in Micronesia to negotiate with officials of St. John’s Episcopal School, Guam, terms of repayment of an advance from Domestic and Foreign Missionary Society (DFMS) for purchase of a land lease-hold, based on the following conditions:

1. \$500,000 to be repaid immediately upon completion of the contract;
2. \$500,000 to be repaid, using as collateral for financing this \$500,000 payment the land currently used by St. John’s School and owned by the DFMS;

3. Payment of the remaining \$2.2 million (plus interest) to be made in the form of additional cash remuneration and/or the granting of scholarships in lieu of cash, provided that a preference for such scholarships will be given to needy students who are members of local Episcopal Congregations.

Explanation

St. John's Church and School are prominently located on the main traffic corridor at the center of Guam's business and tourist area on a campus which overlooks Tumon Bay. The School (pre-K through high school; 537 students) is considered by Guam's population of 160,000 to be the best college prep institution in all of Micronesia. The issue at hand is the past-due repayment of \$3.2 million (plus interest) soccer field advance the School owes the DFMS. They have been unable to make repayment due primarily to the deflated tourist economy Guam has experienced in the past several years.

Through this resolution the Executive Council approves a process which satisfies the repayment of an advance for purchase of the soccer field adjacent to St. John's School, Guam. By passage of this resolution, the Executive Council grants approval that the property owned by the DFMS on Guam and used by the School may be pledged as collateral to guarantee development loans made to the School, with the understanding that such loans will partially be used to help repay the School's debt to the DFMS. The Executive Council also notes the use of scholarships as an alternate form of repayment.

In introducing A&F 112, Stacy Sauls spoke for the Ad Hoc Task Force on Property Disputes. There was a substitute amendment offered, and it was voted that the substitute amendment with the explanation from the original amendment would be the version voted on.

A&F 112 – Adopted

TO: The Executive Council
FROM: The Standing Committee on Administration & Finance
DATE: March 8, 2006
RE: Ad Hoc Task Force on Property Disputes

Resolved, That the Executive Council, meeting at Philadelphia on March 6-9, 2006, authorizes the transfer of \$100,000, taken from short term reserves, to a custodial account to be established by the Diocese of California to be held and used as seed money for the benefit and use of the House of Bishops' Ad Hoc Task Force on Property Disputes, or by any successor committee of the House of Bishops established for the same purpose; and be it further

Resolved, that the House of Bishops' Ad Hoc Task Force on Property Disputes, or any successor committee of the House of Bishops established for the same purpose, report periodically to the Executive Council on its activities and its use of the transferred funds, as appropriate for recipients of block grants.

Explanation

The Ad Hoc Task Force on Property Disputes of the House of Bishops proposes this Resolution with reference to the following facts:

1. It has become apparent that a few parishioners and clergy have expressed an intention to leave The Episcopal Church and affiliate with other Anglican Bishops and that in violation of Canon Law these parishioners and clergy in some cases seek to take with them to their new affiliation the real and personal property belonging to The Episcopal Church.
2. Following the meeting of the House of Bishops in San Juan, Puerto Rico, the Ad Hoc Task Force convened in Chicago to examine the range of legal responses to such intentions which might be available to the House of Bishops and individual Dioceses and Bishops.
3. The Ad Hoc Task Force perceives that in all likelihood a certain amount of effort has already been undertaken by legal counsel for the Bishops and Dioceses collecting relevant cases and legal analyses of these issues.
4. While state statutory law and judicial decisions may be relevant to these issues, there is a national and ecclesiastical commonality present for Episcopal Churches and the international Episcopal Anglican Community bodies.
5. Specifically, the real and personal property of The Episcopal Church and all of its Dioceses, Parishes and Missions are subject to trust and fiduciary obligations imposed by Canon Law and applicable state rulings and statutes in favor of The Episcopal Church and its Dioceses of which each local Parish is a member.
6. Each Bishop, each Parish, each Mission, and each Vestry owes a fiduciary duty to The Episcopal Church and to each other to protect this property and make certain that this property is available to those who presently and in the future wish to worship in an Episcopal Church.
7. It is believed that sometimes – but not always – recourse to the judicial system is the best procedure to protect these assets and that sometimes this judicial intervention must be sought quickly and undertaken with an unambiguous and decisive request for relief.
8. The Ad Hoc Task Force believes that it should include in its work an examination of the proper role of extra-judicial mediation to resolve property disputes, consistent with their extant fiduciary obligations and duties.
9. Once The Episcopal Church is confronted with litigation in many states involving essentially similar issues and fact patterns, it is imperative that any response by a Diocese or Parish be coordinated with a central clearinghouse or committee to maximize the efficiency and consistency of the response to avoid erroneous and/or inconsistent rulings, and to do so in a cost effective manner.
10. Moreover, it is the belief of the Ad Hoc Task Force that in the event Parishes are successful in taking without just compensation The Episcopal Church's real and personal property, some Dioceses and Parishes will confront and experience severe financial situations which could result in the jeopardizing of their financial existence, integrity and stability. The Ad Hoc Task Force is also of the belief that some Dioceses and Parishes may not have the financial resources to support litigation to undertake appropriate legal actions to prevent a taking of their property.
11. Legal counsel has advised the Ad Hoc Task Force that the proper response of the House of Bishops requires a national coordinated defense to satisfy the applicable fiduciary responsibilities.

12. Frequently, cases of this nature require expert testimony and so it is important that the search for these experts and the subjects and bases of their testimony be coordinated through a central clearinghouse.
13. Legal counsel on the Ad Hoc Task Force has advised that these efforts need to be undertaken promptly and that this initial seed money request for \$100,000 from the Executive Council for the use by the Task Force set forth below will facilitate the Committee's ability to:
 - Collect existing legal memoranda, briefs, and decisions from as many jurisdictions as have dealt with these issues;
 - Organize for the preparation of draft "white papers," response timelines, and "talking points" in the event of widespread and serious litigation; and
 - Develop a more permanent organizational and financial structure, including the preparation of a budget, to provide the resources to the Church in its mission of protecting these assets.

After this initial seed money grant, it is the intention of the Ad Hoc Task Force to raise whatever funds it deems necessary for its work through its own efforts and sources.

A custodial account will be established through the Diocese of California to facilitate and expedite the early phases of the work of the Task Force. Checks should be made payable to the "Diocese of California – Ad Hoc Task Force on Property Disputes."

A&F 113 – Adopted

TO: The Executive Council
FROM: The Standing Committee on Administration & Finance
DATE: March 8, 2006
RE: Funds transfer for the Episcopal Church Building Fund

Resolved, That the Executive Council, meeting at Philadelphia on March 6-9, 2006, authorizes the transfer of \$3 million from short term reserves to the Episcopal Church Building Fund pursuant to AF-090 passed in October 2005.

Explanation

The Executive Council passed Resolution AF-090 at its October 2005 meeting in Las Vegas, Nevada. Resolution AF-090 authorized the transfer of the UTO Loan Fund to the Episcopal Church Building Fund, subject to certain conditions, which remain in effect. The amount of \$3 million was determined based on conversations involving representatives of the UTO, Executive Council and the Episcopal Church Building Fund.

Josephine gave thanks to Nancy Caparulo and the many staff members who participated in A&F committee meetings and gave advice, and asked the Junior Class to stand and thank the Senior Class. She read a courtesy resolution that the committee had presented to Russ Palmore.

The By-Laws were discussed and adopted. (See Addendum A)

The agenda planning committee for the first meeting of Executive Council will meet in New York on September 13, 2006. Representative elected by their respective committees are Kim Byham for NAC,

Josephine Hicks for A&F, Terry Roberts for CIM and Titus Presler for INC. RPM Bowden will attend as the only continuing member from this triennium's Executive Committee.

CLOSING REMARKS

Real Time evaluation would not be done since a final evaluation of the triennium was done Tuesday. However, there was an opportunity for anyone to speak, either as personal privilege or remarks to Council.

Pat Mordecai spoke of her intention to retire at the end of 2006.

Becky Snow brought greetings from Francisco Duque and his family and urged Executive Council to consider having one of its meetings in Bogata.

John Vanderstar announced that the Church-wide conversation on marriage would not be taking place at General Convention, but recommends that you consider doing this in your own dioceses.

Cathy Roskam spoke of the Anglican Women's Conference.

Steve Lane told of a trip to England this summer with a group for the purpose of "Exploring and Knowing Our Anglican Heritage."

Dean Werner thanked the Council and staff for their support, and reminded them that we have to be deliberate in finding ways to evangelize youth and be inclusive. He told his colleague "To #25 from #31 – I am very confident walking into GC2006 with you".

Bishop Griswold told Council that we all have a special role to play at GC, and it is important for all to be persons who manifest the peace of Christ. He is looking forward to it. Special thanks to Timothy Kimbrough for the music and to Steve Lane for the liturgies and to George Werner – "you are a hell of a friend".

The meeting was adjourned.

