

## **The Standing Committee on Administration and Finance**

**January 16, 2007**

### **Minutes of the Conference Call**

Present on the call from the committee were: David Alvarez, Kurt Barnes, Josephine Hicks, Gay Jennings, Dennis Stark, Ted Yumoto; Pan Adams (Chair of PB&F), Bonnie Anderson (President of the House of Deputies), Katharine Jefferts Schori; from the staff Alpha Conteh, Margareth Crosnier de Bellaistre, Mark Duffy (Archivist), Jim Lemler, Linda Watt, and Nancy Caparulo, recording. Absent with notice: Tom Gossen and Vicky Garvey. Absent: Jon Bruno, Del Glover, Betty Jo Harris.

Josephine convened the call at 3:05 PM EST with review of the agenda. No additions were made.

Linda Watt said hello and made a few short remarks.

Kurt provided an overview of the Budget, which included:

- explanation of monthly posting of the summary pages of the financial statements to the web site
- rationale behind assumptions for budgetary purposes that diocesan commitments are paid monthly in equal increments
- explanation of the components of the financial statements
- year-end closing date for 2006 for the books and possible change for 2007 to earlier in December
- difficulties of projecting costs for Title IV activities
- explanation about the Anglican Global Relations (AGR) budget being out of line owing to misunderstanding of how the mission budget works (those issues are being addressed with AGR)
- clarification that Executive Council (EC) must approve all expenditures for Title IV matters that exceed \$100K
- receiving request that a study be done concerning diocesan commitments for the past five years to get a fuller view of the progress or lack thereof (and the reasons) toward meeting the Asking

Pan Adams, as PB&F Chair, said it was clear that PB&F and the Budgetary Funding Task Force (B004) will need to examine the current funding formula. SC on Structure is looking at this as well but canonically any recommendation needs to come through PB&F.

Jim Lemler added that, from a communications/program perspective, two reports were widely circulated through the church that easily serve as a kind of narrative budget. His office will do another with a more strategic approach for diocesan conventions to use.

Linda Watt said that discussions she has participated in have yielded suggestions for ways to tell our own story to and through the church in a more effective way. She assured that there will be further discussions about the stewardship of funds at 815.

Presiding Bishop Jefferts Schori joined the meeting, said hello and was happy to hear the deliberations of this call.

### Budget Overview

Josephine reports that A&F will discuss in March a resolution about addressing the budget process (this topic was tentatively scheduled for a plenary discussion but will now be taken up by A&F). Josephine will prepare a draft resolution proposing a task force to look at this. Kurt reviewed the budget and its component parts, summarizing assumptions/estimates made concerning income (60% from diocesan pledges, the 5% draw against investment earnings, government funds, etc). He explained the nature of "extra-diocesan" income, contributions from individuals and parishes or congregations that are sent directly to the Church Center rather than through the diocesan process. \$600K has been estimated for the 2007-09 triennium based on receipts from the triennium just concluded.

Brief discussion covered possible income shortfall resulting from currently non-participating dioceses.

Kurt said there are various offices responsible for line items in the budget and explained the anticipated flexibility in a few of the lines having to do with partnerships and covenants. He also went over the memo item at the end of the budget that itemized contributed services, those services provided gratis to in-house agencies, which illustrates what goes to the sister organizations housed at 815 and the ways in which the Church Center supports sister agencies.

Question arose concerning possible surplus at end 2006. Kurt expects, with expenditures covering legal difficulties and Title IV issues, it is unlikely that there will be a measurable surplus.

Ted inquired if there is a regular mechanism to follow up the line items. Each department can access the system and look up their actual spending. Within the Committees, Commissions, Agencies and Boards (CCAB) page, someone in the GCO can keep tabs on the real spending. Pan asked if the chairs of CCABs could get a quarterly statement or half year statement? Kurt responded that it could be distributed from the General Convention Office (GCO). It was also considered desirable to have updates available for A&F to review at EC meetings. This will be discussed again in March. Josephine requested that everyone review all of the financials prior to March meeting in order to be thoroughly prepared.

### Archives Report

Mark Duffy updated the group on the work of the Archives Strategy Committee. Giving some background, Mark said that three possible partners have been located as of December and a draft report is now in committee that will be presented to EC in Portland. Difficulties of moving this work forward have been occasioned mostly because of relying on the time and resources of volunteers, a process that has stretched the deliberations. All three proposers are looking for

answers this month. The Archives must be out of Austin at the end of 2009 and should be planning the move now.

Mark continued that there is lack of a general fund-raising strategy to realize the project. There is no independent endowment to draw on for a down payment. Funding would have to be located via investments and donations from sources that can be tapped now. Archives needs to fund a fund-raising campaign and a communication strategy with a 6-figure commitment. Mark believes when the church leadership gets involved this might become a reality. A&F will get a preliminary report and all of EC will receive the report in March. Mark added that each proposal comes at the change differently.

Josephine observed that A&F may have to help make decisions about how this will proceed and that the committee needs to talk again before March. Committee will be polled with dates for a conference call in February.

Owing to the constraints of time, Josephine skipped discussion about the three GC resolutions that were on the agenda. Committee time will be similar in the upcoming meeting to that in Chicago. In light of issues with both budget and the Archives, Josephine asked whether committee members could meet on the evening of March 1 at 7:00 PM to deal with the routine items and provide more room on the agenda during meeting times. Nancy will poll the committee by e-mail to see if a quorum would be present to manage routine matters.

Josephine adjourned the call at 4:30 PM.

Respectfully submitted,

Nancy Caparulo  
Staff support to the committee