The Amendment Failed

Substitute for: Amend National Church Budget Expense Line in the 2004 Budget of the Diocese of Northern Indiana

Sponsors: The Rev. Brian Grantz, The Rev. Bennett Jones, The Rev. Richard Kallenberg, The Rev. John Schramm

Resolved, that the 105th Convention of the Diocese of Northern Indiana authorize the Vestry or Mission Committee of each congregation in this Diocese to extend or decline the opportunity for each pledging household or individual in said congregation to indicate whether or not their pledge will be available to fund the National Church budget; and be it further

Resolved, that the Treasurer of each congregation in which withholding from the National Church has been authorized by the Vestry or Mission Committee shall calculate from the total amount of pledges received on or before January 9, 2004 the percentage of pledged dollars that have been marked for withholding. The Treasurer of said congregation shall certify this percentage in writing to the Treasurer of the Diocese on or before January 23, 2004; and be it further

Resolved, that the Treasurer of the Diocese shall recalculate in the 2004 Budget of the Diocese of Northern Indiana the apportionment to the National Church in the following manner:

1) For each congregation, multiply the assessment by the percentage marked for withholding certified for that congregation;
2) Calculate from the total amount of assessed dollars for all parishes the percentage that has been marked for withholding;
3) Using the standard formula for determining our National Church apportionment and accounting for a $20,000 reduction in the National Church apportionment already included in the 2004 Diocesan Budget [{(Net Operating Income - $100,000) x 15.999%} - $20,000], apply the above percentage to determine the amount withheld; and be it further

Resolved, that the amount withheld from the National Church apportionment be directed for the work of mission in a manner to be determined by Diocesan Council.

Explanation: The 74th General Convention of the Episcopal Church, meeting in Minneapolis in the summer of 2003, adopted resolutions with implications towards human sexuality and Biblical interpretation that have left congregations in our Diocese divided and conflicted. In view of this reality, this resolution has three main objectives:

1) To provide a pastoral means for clergy and congregations in this Diocese to reach out to those individuals who, as a matter of conscience, cannot continue to support the program of the National Episcopal Church. This resolution will, to use the vernacular, provide a means for individual congregations to keep people at the table long enough to gain needed perspective and a clearer understanding of the future of the Episcopal Church and the Anglican Communion.

2) To avoid unilateral action or inaction by the Diocese. There are many in this Diocese who disapprove of and seek a tangible means to disavow the actions of General Convention. There are many others who approve of and celebrate those same actions. For our Diocesan Convention to take no action or, conversely, to take some unilateral punitive action, such as a flat reduction in giving to the National Church, will not satisfy the concerns of any party in this conversation. This resolution allows for withholding but does not prescribe or require it for anyone.

3) To simplify, so far as is possible, the process by which withholding is accomplished. The apportionment sent to the National Church is determined as a percentage of the Net Operating Income of the Diocese, not on the actual income of parishes in 2004. Therefore, dollar for dollar withholding would require meticulous accounting both by parish treasurers and the Treasurer of the Diocese. It would also require a very complicated formula to determine the National Church

apportionment. This resolution bases withholding on a cumulative percentage derived from the percentage of pledge dollars withheld in each parish, thereby determining a "will of the people" and eliminating all but the most basic accounting.

Here is how it works:

1) Parish A's vestry votes to allow individual parishioners to mark their pledges for withholding from the National Church. Parish A's pledge cards are printed with a special check box for that purpose.
2) On January 9, 2004, the Treasurer of Parish A adds the pledges together, determining that Parish A has $100,000 pledged for 2004. Of that amount, $40,000 - 40% - has been marked for withholding from the National Church.
3) On or before January 23, the Treasurer of Parish A notifies the Treasurer of the Diocese in writing that 40% of Parish A's pledges are marked for withholding from the National Church.
4) The Treasurer of the Diocese multiplies Parish A's assessment, $20,000 in 2004, by the percentage certified for withholding to determine that $8,000 of their assessment is excluded.
5) The Treasurer of the Diocese then takes the sum of all assessments and the sum of all exclusions to determine the total percentage for the Diocese that has been marked for withholding.

Parish	Assessment	% Withholding	$ Excluded
A	$20,000	40%	$8,000
B	$5,000	50%	$2,500
C	$15,000	10%	$1,500
D	$40,000	30%	$12,000
E	$10,000	5%	$500
F	$30,000	25%	$7,500
G-KK	$230,000	0%	$0
Total	$350,000	9.14%*	$32,000

* $32,000 ÷ $350,000 = 9.14% withholding for the Diocese.

6) The Treasurer of the Diocese determines the National Church apportionment in the usual manner. Continuing the example above, let's suppose that, after calculating income from other sources and normal exclusions, Net Operating Income in 2004 is $375,000. The National Church apportionment is then $375,000 - $100,000 (the standard deduction) x 15.999%. The National Church apportionment, based upon this budget, is $43,997.
7) The 2004 budget already reduces the National Church apportionment by $20,000 to make up for budget shortfalls in other areas. To account for this change, the $43,997 apportionment is now reduced by $20,000 to $23,997.
8) The Treasurer of the Diocese multiplies our adjusted apportionment ($23,997) by the total percentage withheld (9.14%) to determine that $2,193 will be withheld for mission as determined by Diocesan Council. The remaining $21,804 will be sent to the National Church.

The actual Net Operating Income for the Diocese and our National Church apportionment are significantly higher than the above example. It should also be noted that the National Church requests a 21% apportionment from each Diocese. Our Diocese traditionally bases our apportionment on the same figure – 15.999% - by which we determine parish and mission assessments.

There are those who view this resolution as a dubious stewardship practice, a disturbing precedent, and an action ripe for hypocrisy as we teach stewardship in our own congregations. There are also those who remind us that good stewardship demands wise and right use of resources, requiring us, therefore, to hold accountable those to whom our resources have been entrusted. The endorsers of this resolution simply ask that we bear in mind the brokenness of

our present situation and urge passage of this resolution if only to allow for pastoral flexibility as clergy and vestries respond to the confusion and reaction in their parishes.