

J O U R N A L

**of the
One Hundred Sixty-fourth**

**ANNUAL COUNCIL
of the
DIOCESE OF TEXAS**

Volume I

**Hosted by
the Hispanic Congregations
of the Diocese of Texas**

**February 8 & 9
2013**

EPISCOPAL DIOCESE OF TEXAS

VISION DOCUMENT

MISSION STATEMENT

We are one Church reconciled by Jesus Christ, empowered by the Holy Spirit, called by God through worship, witness, and ministry, building the Kingdom of God together.

CORE VALUES

Grounded in our response to the Baptismal Covenant and Great Commission, the Churches, Schools, and Institutions of the Episcopal Diocese of Texas passionately hold these values:

Missionary Emphasis

Making Jesus Christ known with a missionary spirit that honors our heritage of growth and expansion

Education and Leadership

Forming disciples, both lay and clergy, to be effective agents of transformation

Meeting Human Needs

Bringing the love of Christ to a hurting world

Responsive Stewardship

Caring for and dedication of our abundant resources to support the mission of the Church

Excellence

Setting a standard for ministry driven by miraculous expectation

VISION

As followers of Jesus Christ, we are One Church within the Anglican Communion and The Episcopal Church. All are sought and embraced in worship, mission, and ministry in a spirit of mutual love and respect.

We are:

Youthful: Our congregations and institutions are continually renewed and revitalized through the infusion and inclusion of younger members. Children, youth, young adults, their friends and families, find in our diocese significant and engaging programs and ministries that inspire, inform, and support them on their Christian journey.

Multicultural: Our diocese is enriched through intentional efforts to reflect the communities in which we live. People of diverse ethnic, cultural, and socioeconomic backgrounds find respect, dignity, and opportunity in the life and ministry of the church.

Forming and Growing: Those seeking a deeper relationship with Jesus are nurtured and equipped to share the love of Christ in the world. They find lifelong opportunities for spiritual formation and servant leadership grounded in scripture and our historic catholic faith.

Reaching out to Serve: Those who serve and are served are transformed. People who are in need and who struggle, find hope, care, and restoration through the outreach and justice ministries provided by the people of the Episcopal Diocese of Texas.

One Church: We are a united, vibrant, healthy, and growing community of faith. The world will recognize us as Jesus' disciples because we love one another as Christ loves us.

JOURNAL OF THE 164TH ANNUAL COUNCIL OF THE DIOCESE OF TEXAS

Volume I - Reports to Council

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I. FROM THE 163RD COUNCIL

UNFINISHED BUSINESS & CERTIFICATION OF MINUTES

I certify that there are no items of unfinished business remaining from the 163rd Annual Council of the Episcopal Diocese of Texas. I also certify that the minutes (as contained in Volume II, Journal of the 163rd Council) are a true and accurate account of the proceedings of that Council.

John A. Logan, Jr., Secretary

REGULAR COMMITTEES FOR THE 164TH (2013) COUNCIL

1. BISHOP'S ADDRESS

Stacy Stringer, Holy Trinity, Dickinson, *Chair*
4613 Hwy. 3, Dickinson 77539 (281) 337-1833
Mary Crow, Holy Spirit, Houston
Daryl Hay, St. James', La Grange
Reb Scarborough, Calvary, Richmond

2. CONSTITUTION AND CANONS

Maria Boyce, St. Martin's, Houston, *Chair*
3622 Wickersham, Houston 77027 (713) 229-1922
Sam Griffin, St. Cyprian's, Lufkin, *Vice Chair*
Lillian Hyde, St. Luke's Episcopal Hospital, Houston
David Harvin, Chancellor, *ex-officio*

3. COUNCIL MANAGEMENT

Cecilia Smith, Diocesan Office, Austin, *Chair*
Box 2247, Austin 78768 c: (713) 516-5747
Richard Perkins, St. Andrew's, Bryan (Chair, 163rd Council)
Dennis Itzep, Santa Maria Virgen, Houston (Chair, 164th Council)
Ann Normand, Diocesan Center, Houston, *ex-officio*

4. DISPATCH OF BUSINESS

William Y. Fowler, Holy Spirit, Houston, *Chair*
12535 Perthshire Rd., Houston 77024-4106 (713) 468-7796
Terry Nathan, St. David's, Austin
Paul Skeith, St. David's, Austin
Tammy Tiner, St. Thomas', College Station

5. NOMINATIONS

Janice Jones, St. Christopher's, Killeen, Georgetown, *Chair*
1314 E. University Ave., Georgetown 78626
O: (512) 863-2068; C: (936) 443-5391
Mike Tomsu, Vice-Chancellor, *ex-officio*

To 2013:

Patsy Barham, St. Matthew's, Henderson
Caroline Jones, Good Shepherd, Austin
Marilyn Luckett, Christ Church, Tyler
Rhoda S. Montgomery, St. Thomas', College Station
Mike Shobe, Christ Church, Temple

To 2014:

George Dehan, St. Martin's, Houston
Patrick Hall, Missioner, Rice University, Houston
Lacy Largent, Chaplain, Seafarers' Center, Houston

To 2015:

Janice Jones, St. Christopher's, Killeen
Chris Duncan, Good Shepherd, Austin
Dave Bollinger, Good Shepherd, Tomball
Dyson Nickle, St. Cyprian's, Lufkin

6. RESOLUTIONS

Keith Giblin, St. Stephen's, Beaumont, *Chair*
8280 White Rd., Beaumont 77706 (409) 656-5500
Bert Baetz, St. Mark's, Richmond
Dianne Delisi, Christ Church, Temple
John Pitts, Non-parochial, Houston

7. SUPERVISORS AND TELLERS

Jimmy Abbott, St. Alban's, Waco, *Chair*
305 N. 30th St., Waco 76710 (254) 752-1773
Larry Angle, St. Mary's, Houston (Cypress)
Elizabeth R. Dowell, Hope, Houston
Linda Gray, St. Francis', Tyler

II. STANDING COMMITTEES OF THE COUNCIL

Pre-Council Report of the COMMITTEE for CONSTITUTION & CANONS to the 164th Council

(Type of Proposal)	(No. of Proposals)
A - Constitutional proposals, 2nd reading:	1
B - Constitutional proposals, 1st reading:	2
C - Canonical proposals:	5

A. CONSTITUTIONAL AMENDMENTS

(Presented for second reading requiring 2/3rds majority approval from each Order)

Article 3 THE STANDING COMMITTEE

EXISTING:

Section 3.1 *Membership*

The Standing Committee shall consist of three Presbyters and three lay persons, at least 18 years of age, who are confirmed Communicants in good standing of the Church within the Diocese.

PROPOSED:

Section 3.1 *Membership*

The Standing Committee shall consist of three ~~Presbyters~~Clergy and three lay persons, at least 18 years of age, who are confirmed Communicants in good standing of the Church within the Diocese.

IF AMENDED:

Section 3.1 *Membership*

The Standing Committee shall consist of three Clergy and three lay persons, at least 18 years of age, who are confirmed Communicants in good standing of the Church within the Diocese.

SUBMITTED BY: The Rev. Glennda Hardin, St. Stephen's Episcopal Church, Liberty,
as requested by the Deacon Clericus

RATIONALE (by Rev. Hardin):

This section of the Constitution was adopted before the establishment of the Diaconate in the Diocese of Texas. This change would open membership on the Standing Committee to all ordained persons.

THE COMMITTEE PRESENTS THIS PROPOSAL FOR A SECOND READING
WITHOUT RECOMMENDATION.

B. CONSTITUTIONAL AMENDMENTS
(Presented for publication on first reading)

Article 10
AMENDING CANONS

EXISTING:

Section 10.1 *Authority for Procedure*

Canons may be adopted, altered, amended, or repealed at any Annual Council meeting by a majority vote, unless a vote by orders be called for, whereupon a majority vote of both orders, voting concurrently, shall be necessary for adoption: provided (1) a two-thirds vote shall be required to adopt, alter, amend, or repeal any Canon, unless a copy of the proposed change to adopt, alter, amend, or repeal the Canon is first presented in writing to the Secretary of the Diocese or Chair of the Committee on Constitution and Canons not later than November 15 prior to the first business session of the Annual Council; but this shall not limit relevant amendments to any such proposal from the Council floor, and (2) the Canon relating to St. Luke's Episcopal Health System may be altered, amended, or repealed by an Annual Council or a Special Session of Council, and any one or more of the provisions of the Canon relating to St. Luke's Episcopal Health System may be adopted, altered, amended, or repealed by unanimous written consent of the Bishop, the full membership of the Board of Directors of St. Luke's Episcopal Health System, and the full membership of the voting membership of the Executive Board. At an Annual Council, the report of the Committee shall be made at least one session before the case can be acted upon, unless unanimous consent be given to take it up earlier, in which case, the record shall show the unanimous consent in recording the action of the Council upon the motion to take up the Committee's report upon the proposed Canon.

Section 10.2 *Copies to be Printed*

Any change in any Canon adopted in Council shall be printed in full in the *Journal* with proper notations of title, number, and section, with a brief statement of the nature of the change. The Secretary of the Diocese shall have printed sufficient copies of the new Canon, properly annotated, or reprints from the *Journal* record, to be made available to Clergy of the Diocese, members of the Council, and others interested.

PROPOSED:

Section 10.1 *Authority for Procedure*

Canons may be adopted, altered, amended, or repealed at any Annual Council meeting by a majority vote, unless a vote by orders be called for, whereupon a majority vote of both orders, voting concurrently, shall be necessary for adoption: provided (1) a two-thirds vote shall be required to adopt, alter, amend, or repeal any Canon, unless a copy of the proposed change to adopt, alter, amend, or repeal the Canon is first presented in writing to the Secretary of the Diocese or Chair of the Committee on Constitution and Canons not later than November 15 prior to the ~~first business session~~date of the Annual Council; but this shall not limit relevant amendments to any such proposal from the Council floor, and (2) the Canon relating to St. Luke's Episcopal Health System may be altered, amended, or repealed by an Annual Council or a Special Session of Council, and any one or more of the provisions of the Canon relating to St. Luke's Episcopal Health System may be adopted, altered, amended, or repealed by unanimous written consent of the Bishop, the full membership of the Board of Directors of St. Luke's Episcopal Health System, and the full membership of the voting membership of the Executive Board. ~~At an Annual Council, the report of the Committee shall be made at least one session before the case can be acted upon, unless unanimous consent be given to take it up earlier, in which case, the record shall show the unanimous consent in recording the action of the Council upon the motion to take up the Committee's report upon the proposed Canon.~~

Section 10.2 ~~*Copies to be Printed*~~*Publication of Amendments*

Any change in any Canon adopted in Council shall be ~~printed~~published in full in the *Journal* with proper notations of title, number, and section, with a brief statement of the nature of the change. The Secretary of the Diocese shall ~~have printed sufficient copies of the new Canon, properly annotated, or reprints from the *Journal* record, to be made post the *Journal* record reflecting the action by Council and the wording of the new Canon on the Diocesan website or otherwise make it~~ available to Clergy of the Diocese, members of the Council, and others interested.

IF AMENDED:

Section 10.1 *Authority for Procedure*

Canons may be adopted, altered, amended, or repealed at any Annual Council meeting by a majority vote, unless a vote by orders be called for, whereupon a majority vote of both orders, voting concurrently, shall be necessary for adoption: provided (1) a two-thirds vote shall be required to adopt, alter, amend, or repeal any Canon, unless a copy of the proposed change to adopt, alter, amend, or repeal the Canon is first presented in writing to the Secretary of the Diocese or Chair of the Committee on Constitution and Canons not later than November 15 prior to the date of the Annual Council; but this shall not limit relevant amendments to any such proposal from the

Council floor, and (2) the Canon relating to St. Luke's Episcopal Health System may be altered, amended, or repealed by an Annual Council or a Special Session of Council, and any one or more of the provisions of the Canon relating to St. Luke's Episcopal Health System may be adopted, altered, amended, or repealed by unanimous written consent of the Bishop, the full membership of the Board of Directors of St. Luke's Episcopal Health System, and the full membership of the voting membership of the Executive Board.

Section 10.2 *Publication of Amendments*

Any change in any Canon adopted in Council shall be published in full in the *Journal* with proper notations of title, number, and section, with a brief statement of the nature of the change. The Secretary of the Diocese shall post the *Journal* record reflecting the action by Council and the wording of the new Canon on the Diocesan website or otherwise make it available to Clergy of the Diocese, members of the Council, and others interested.

SUBMITTED BY: The Rev. William Fowler, Holy Spirit Episcopal Church, Houston

RATIONALE (by Rev. Fowler): Our current Constitution and Canons envision a multi-day Annual Council that relies on paper and mailing for both announcement of its agenda, nominations, and proposals for Council consideration and publication of the results. This is the first of several proposed amendments to make our Constitution and Canons reflect the efforts of the Diocese to operate efficiently in an era of modern word processing and communications technology and to utilize efficiently our time together at Council.

This proposed amendment eliminates the requirement that the *Journal*, reflecting action by Council on proposed Constitutional and Canonical amendments, be “printed” and “copied” for distribution. It reflects current practice that the *Journal* is prepared on a word processor and posted on the Diocesan website where it is available to all interested parties. Not only is this cost-efficient, but it also results in the *Journal* being available to many more people than when it was printed and mailed only to Clergy and Council delegates.

The proposed amendment also eliminates the requirement that the report of the Committee for Constitution and Canons be given “at least one session before” Council takes action on any proposed amendments. Because Council members have the proposed amendments available to them well in advance of Council and in view of Council members’ responsibility to familiarize themselves with the proposals, it is not a good use of Council’s time to have to listen to the report twice. If this proposed amendment is approved, a companion amendment to Canon 2 will be proposed at the next Annual Council also eliminating this redundancy.

THE COMMITTEE RECOMMENDS THIS PROPOSAL FOR A FIRST READING.

Article 11 AMENDING CONSTITUTION

EXISTING:

Section 11.1 *Authority for Procedure*

Any proposition to amend this Constitution shall be submitted in writing to an Annual Council, when by consent it shall be printed in the *Journal*; provided that a two-thirds vote shall be required to consent, unless a copy of the proposed amendment is first presented in writing to the Secretary of the Diocese or Chair of the Committee on Constitution and Canons not later than November 15 prior to the first business session of Annual Council, but this shall not limit relevant amendments to any such proposal from the Council floor. At the next Annual Council it may be considered, and if passed by a two-thirds majority of the members of each order, voting concurrently, in the form as printed or as same may be amended by unanimous consent, it shall be incorporated into the Constitution as a part thereof.

Section 11.2 *Amendments to be Written in Full*

No part of the Constitution or Canons shall be amended by reference to its number, or by merely striking out or inserting words, but the article or section sought to be amended or altered shall be written out in full and presented as it is intended it shall read when amended.

Section 11.3 *Amendments to be Printed*

Any change in any article of the Constitution adopted in Council shall be printed in full in the *Journal* with proper notations of title, number, and section, with a brief statement of the nature of the change.

Section 11.4 *Printed Copies to be Distributed*

The Secretary of the Diocese shall have printed sufficient copies of the new article, properly annotated, or reprints made from the *Journal* record, to be made available to Clergy of the Diocese, members of the Council, and others interested.

Section 11.5 *Effective Date*

Each duly adopted provision of this Constitution or any duly adopted alteration, amendment, addition, or repeal of an existing provision of this Constitution shall become effective on the day following the date of adjournment of the Diocesan Council Meeting at which it is adopted.

PROPOSED:

Section 11.1 *Authority for Procedure*

Any proposition to amend this Constitution shall be submitted in writing to an Annual Council, when by consent it shall be ~~printed~~published in the *Journal*; provided that a two-thirds vote shall be required to consent, unless a copy of the proposed amendment is first presented in writing to the Secretary of the Diocese or Chair of the Committee on Constitution and Canons not later than November 15 prior to the ~~first business session~~date of Annual Council, but this shall not limit relevant amendments to any such proposal from the Council floor. At the next Annual Council it may be considered, and if passed by a two-thirds majority of the members of each order, voting concurrently, in the form as ~~printed~~published or as the same may be amended by unanimous consent, it shall be incorporated into the Constitution as a part thereof.

Section 11.2 *Amendments to be Written in Full*

No part of the Constitution or Canons shall be amended by reference to its number, or by merely striking out or inserting words, but the article or section sought to be amended or altered shall be written out in full and presented as it is intended it shall read when amended.

Section 11.3 *Publication of Amendments to be Printed*

Any change in any article of the Constitution adopted in Council shall be ~~printed~~published in full in the *Journal* with proper notations of title, number, and section, with a brief statement of the nature of the change. The Secretary of the Diocese shall post the *Journal* record reflecting the action of Council and the wording of the amendment on the Diocesan website or otherwise make it available to Clergy of the Diocese, members of Council, and others interested.

Section 11.4 ~~*Printed Copies to be Distributed*~~

~~The Secretary of the Diocese shall have printed sufficient copies of the new article, properly annotated, or reprints made from the *Journal* record, to be made available to Clergy of the Diocese, members of the Council, and others interested.~~

Section ~~11.5~~11.4 *Effective Date*

Each duly adopted provision of this Constitution or any duly adopted alteration, amendment, addition, or repeal of an existing provision of this Constitution shall become effective on the day following the date of adjournment of the Diocesan Council Meeting at which it is adopted.

IF AMENDED:

Section 11.1 *Authority for Procedure*

Any proposition to amend this Constitution shall be submitted in writing to an Annual Council, when by consent it shall be published in the *Journal*; provided that a two-thirds vote shall be required to consent, unless a copy of the proposed amendment is first presented in writing to the Secretary of the Diocese or Chair of the Committee on Constitution and Canons not later than November 15 prior to the date of Annual Council, but this shall not limit relevant amendments to any such proposal from the Council floor. At the next Annual Council it may be considered, and if passed by a two-thirds majority of the members of each order, voting concurrently, in the form as published or as the same may be amended by unanimous consent, it shall be incorporated into the Constitution as a part thereof.

Section 11.2 *Amendments to be Written in Full*

No part of the Constitution or Canons shall be amended by reference to its number, or by merely striking out or inserting words, but the article or section sought to be amended or altered shall be written out in full and presented as it is intended it shall read when amended.

Section 11.3 *Publication of Amendments*

Any change in any article of the Constitution adopted in Council shall be published in full in the *Journal* with proper notations of title, number, and section, with a brief statement of the nature of the change. The Secretary of the Diocese shall post the *Journal* record reflecting the action of Council and the wording of the amendment on the Diocesan website or otherwise make it available to Clergy of the Diocese, members of the Council, and others interested.

Section 11.4 *Effective Date*

Each duly adopted provision of this Constitution or any duly adopted alteration, amendment, addition, or repeal of an existing provision of this Constitution shall become effective on the day following the date of adjournment of the Diocesan Council Meeting at which it is adopted.

SUBMITTED BY: The Rev. William Fowler, Holy Spirit Episcopal Church, Houston

RATIONALE (by Rev. Fowler): Our current Constitution and Canons envision a multi-day Annual Council that relies on paper and mailing for both announcement of its agenda, nominations, and proposals for Council consideration and publication of the results. This is the second of several proposed amendments to make our Constitution and Canons reflect the efforts of the Diocese to operate efficiently in an era of modern

word processing and communications technology and to utilize efficiently our time together at Council.

This proposed amendment eliminates the requirement that the *Journal*, reflecting action by Council on proposed Constitutional and Canonical amendments, be “printed” and “copied” for distribution. It reflects current practice that the *Journal* is prepared on a word processor and posted on the Diocesan website where it is available to all interested parties. Not only is this cost-efficient, but it also results in the *Journal* being available to many more people than when it was printed and mailed only to Clergy and Council delegates.

The proposed amendment also eliminates the requirement that the report of the Committee for Constitution and Canons be given “at least one session before” Council takes action on any proposed amendments. Because Council members have the proposed amendments available to them well in advance of Council and in view of Council members’ responsibility to familiarize themselves with the proposals, it is not a good use of Council’s time to have to listen to the report twice. If this proposed amendment is approved, a companion amendment to Canon 2 will be proposed at the next Annual Council also eliminating this redundancy.

THE COMMITTEE RECOMMENDS THIS PROPOSAL FOR A FIRST READING.

C. CANONICAL AMENDMENTS

Canon 3 NOMINATIONS AND ELECTIONS

EXISTING:

Section 3.2 *Nominations*

The Committee for Nominations shall meet annually, after November 10th, but prior to the deadline for submission for publication in Volume I of the *Journal*. Notice of the time, date, and place of meeting with the name and address of the Chair of the Committee shall be prominently displayed in an issue of *The Texas Episcopalian* issued prior to the meeting date, and similar written notices thereof shall be mailed at least four weeks prior to the date of the meeting to all members of the Clergy entitled to membership in the Council and Vestries. Suggestions to the Committee for Nominations of the persons to fill all offices in the Diocese and representative positions on Committees and as Deputies, Delegates, or Alternates to the General Convention or Provincial Synod shall be submitted with complete biographical information to the Chair of the Committee not later than November 10th preceding the next Annual Council at which the nominations will be considered. The Committee is directed to choose from the persons suggested, and if necessary or appropriate, from persons it selects, the nominees it believes to be best qualified for the positions to be filled, being mindful of

the desirability of a balanced slate of nominees representative of the diversity of the Diocese. At least two persons shall be nominated by the Committee for each office or position to be filled, except that this minimum number of nominees shall not apply (a) to the offices of Secretary of the Diocese and Treasurer of the Diocese, (b) to those offices to be filled on the nomination of the Bishop or Bishop Coadjutor, or (c) to nominations for membership on the Boards of the Young Ladies' Church Institute and the Church Foundation at Rice University. Additional nominations may be made from the floor at the Council. No member of the Committee for Nominations may be nominated by the Committee for any elective office, but such member may be so nominated from the floor.

Section 3.3 *Notice of Nominations*

The names of the nominees of the Committee for Nominations shall be published in *The Texas Episcopalian* prior to the Annual Council meeting.

PROPOSED:

Section 3.2 *Nominations*

The Committee for Nominations shall meet annually, after November 10th, but prior to the deadline for submission for publication in Volume I of the *Journal*. Notice of the time, date, and place of meeting with the name and address of the Chair of the Committee shall be ~~prominently displayed in an issue of *The Texas Episcopalian* issued~~posted on the Diocesan website prior to the meeting date, and ~~similar written notices thereof shall be mailed~~references to the posted information shall be contained in Diocesan electronic news publications distributed at least four weeks prior to the date of the meeting to all members of the Clergy entitled to membership in the Council and ~~Vestries~~Parishes and Missions. Suggestions to the Committee for Nominations of the persons to fill all offices in the Diocese and representative positions on Committees and as Deputies, Delegates, or Alternates to the General Convention or Provincial Synod shall be submitted with complete biographical information to the Chair of the Committee not later than November 10th preceding the next Annual Council at which the nominations will be considered. The Committee is directed to choose from the persons suggested, and if necessary or appropriate, from persons it selects, the nominees it believes to be best qualified for the positions to be filled, being mindful of the desirability of a balanced slate of nominees representative of the diversity of the Diocese. At least two persons shall be nominated by the Committee for each office or position to be filled, except that this minimum number of nominees shall not apply (a) to the offices of Secretary of the Diocese and Treasurer of the Diocese, (b) to those offices to be filled on the nomination of the Bishop or Bishop Coadjutor, or (c) to nominations for membership on the Boards of the Young Ladies' Church Institute and the Church Foundation at Rice University. Additional nominations may be made from the floor at the Council. No member of the Committee for Nominations may be nominated by the Committee for any elective office, but such member may be so nominated from the floor.

Section 3.3 *Notice of Nominations*

The names of the nominees of the Committee for Nominations shall be ~~published in *The Texas Episcopalian*~~ posted on the Diocesan website and referenced in Diocesan electronic news publications distributed prior to the Annual Council meeting.

IF AMENDED:

Section 3.2 *Nominations*

The Committee for Nominations shall meet annually, after November 10th, but prior to the deadline for submission for publication in Volume I of the *Journal*. Notice of the time, date, and place of meeting with the name and address of the Chair of the Committee shall be posted on the Diocesan website prior to the meeting date, and references to the posted information shall be contained in Diocesan electronic news publications distributed at least four weeks prior to the date of the meeting to all members of the Clergy entitled to membership in the Council and Parishes and Missions. Suggestions to the Committee for Nominations of the persons to fill all offices in the Diocese and representative positions on Committees and as Deputies, Delegates, or Alternates to the General Convention or Provincial Synod shall be submitted with complete biographical information to the Chair of the Committee not later than November 10th preceding the next Annual Council at which the nominations will be considered. The Committee is directed to choose from the persons suggested, and if necessary or appropriate, from persons it selects, the nominees it believes to be best qualified for the positions to be filled, being mindful of the desirability of a balanced slate of nominees representative of the diversity of the Diocese. At least two persons shall be nominated by the Committee for each office or position to be filled, except that this minimum number of nominees shall not apply (a) to the offices of Secretary of the Diocese and Treasurer of the Diocese, (b) to those offices to be filled on the nomination of the Bishop or Bishop Coadjutor, or (c) to nominations for membership on the Boards of the Young Ladies' Church Institute and the Church Foundation at Rice University. Additional nominations may be made from the floor at the Council. No member of the Committee for Nominations may be nominated by the Committee for any elective office, but such member may be so nominated from the floor.

Section 3.3 *Notice of Nominations*

The names of the nominees of the Committee for Nominations shall be posted on the Diocesan website and referenced in Diocesan electronic news publications distributed prior to the Annual Council meeting.

SUBMITTED BY: The Rev. Janice Jones, St. Christopher's, Killeen

RATIONALE (by Rev. Jones): Similar to the proposed amendments to Articles 10 and 11 of the Constitution, the purpose of this amendment is to update the requirements for publication of notice of meetings of the Committee for Nominations and notice of

nominees in light of modern communications technology. The amendment deletes references to “mailing” and publication in *The Texas Episcopalian*. It reflects the current practice of posting on the Diocesan website notice of the call for nominations by the Committee and the Committee’s resulting nominations and referring readers to that information on the website in the Diocese’s electronic news publications such as *Dialog*. References in *Dialog* to the call for nominations typically begin in September and recur periodically in advance of the November 10 deadline. Not only is this practice more cost efficient, but it results in broader distribution of the notices than under the prior practice.

THE COMMITTEE RECOMMENDS ADOPTION OF THIS PROPOSAL.

Canon 4

DUTIES OF THE OFFICERS OF THE DIOCESE

EXISTING:

Section 4.1 *Secretary*

It shall be the duty of the Secretary:

- (a) To record the proceedings of the Council.
- (b) To preserve the records, books, and papers of the Council, subject to its order.
- (c) To attest transcripts from the Council's records.
- (d) To notify promptly all persons concerned of elections, resolutions, or other action taken by the Council.
- (e) To furnish to Ministers, Parishes, and Missions prescribed forms for reports.
- (f) To certify to the General Convention lists of the Clergy of the Diocese, and the names of Deputies to the General Convention.
- (g) To prepare and submit such reports from the Diocese as may be required by the General Convention or by any other official body under authority of the General Convention.
- (h) To supervise the proper publication of the printed *Journal* of the proceedings of the Council, subject to the orders of the Council; and to distribute copies of the *Journal* as follows:
 - (1) One copy to each member of the Clergy of this Diocese and to each Lay Delegate attending the Council; one copy to every officer of the Diocese and to each member of a Diocesan Board or Committee.

- (2) One copy to the Secretary of the House of Deputies.
- (3) When desired and requested, one copy to each Bishop of a Diocese or Missionary District, to each Secretary of a Diocesan Council or Convention or Missionary Convocation, and to the President or Secretary of each Standing Committee within the United States.
- (4) To the Minister in Charge, or other suitable person, in each Parish or Mission of the Diocese not in arrears, a number of copies in proportion to the number of communicants of such Parish or Mission.
- (5) A sufficient number to the Bishop and to the Registrar for their needs.
- (i) To print in the *Journal* each year a page or pages memorializing Lay leaders of the Diocese and/or Council who have died during the preceding year and to print a separate page for each member of the Clergy canonically resident in the Diocese who has died during the preceding year.
- (j) To publish in the *Journal*, to the extent practicable, the names, addresses, congregations, and telephone numbers (unless the person requests the number not to be published) for the members of the following: the Standing Committee, the Executive Board, the Committees of Council, and the Departments of the Executive Board.
- (k) Do whatever else may be required by the Council.
- (l) Keep and report to the Treasurer of the Diocese an account of all expenses incurred under this Canon.

PROPOSED:

Section 4.1 *Secretary*

It shall be the duty of the Secretary:

- (a) To record the proceedings of the Council.
- (b) To preserve the records, books, and papers of the Council, subject to its order.
- (c) To attest transcripts from the Council's records.
- (d) To notify promptly all persons concerned of elections, resolutions, or other action taken by the Council.
- (e) To furnish to Ministers, Parishes, and Missions prescribed forms for reports.

(f) To certify to the General Convention lists of the Clergy of the Diocese, and the names of Deputies to the General Convention.

(g) To prepare and submit such reports from the Diocese as may be required by the General Convention or by any other official body under authority of the General Convention.

(h) To supervise the proper publication of the ~~printed~~ *Journal* of the proceedings of the Council, subject to the orders of the Council; ~~and to distribute copies of the *Journal* as follows:~~ and to post the *Journal* on the Diocesan website and otherwise make it available to interested persons upon request.

~~(1) One copy to each member of the Clergy of this Diocese and to each Lay Delegate attending the Council; one copy to every officer of the Diocese and to each member of a Diocesan Board or Committee.~~

~~(2) One copy to the Secretary of the House of Deputies.~~

~~(3) When desired and requested, one copy to each Bishop of a Diocese or Missionary District, to each Secretary of a Diocesan Council or Convention or Missionary Convocation, and to the President or Secretary of each Standing Committee within the United States.~~

~~(4) To the Minister in Charge, or other suitable person, in each Parish or Mission of the Diocese not in arrears, a number of copies in proportion to the number of communicants of such Parish or Mission.~~

~~(5) A sufficient number to the Bishop and to the Registrar for their needs.~~

(i) To ~~print~~publish in the *Journal* each year a page or pages memorializing Lay leaders of the Diocese and/or Council who have died during the preceding year and to ~~print~~publish a separate page for each member of the Clergy canonically resident in the Diocese who has died during the preceding year.

~~(j) To publish in the *Journal*, to the extent practicable, the names, addresses, congregations, and telephone numbers (unless the person requests the number not to be published) for the members of the following: the Standing Committee, the Executive Board, the Committees of Council, and the Departments of the Executive Board.~~

~~(k)~~(j) Do whatever else may be required by the Council.

~~(l)~~(k) Keep and report to the Treasurer of the Diocese an account of all expenses incurred under this Canon.

IF AMENDED:

Section 4.1 *Secretary*

It shall be the duty of the Secretary:

- (a) To record the proceedings of the Council.
- (b) To preserve the records, books, and papers of the Council, subject to its order.
- (c) To attest transcripts from the Council's records.
- (d) To notify promptly all persons concerned of elections, resolutions, or other action taken by the Council.
- (e) To furnish to Ministers, Parishes, and Missions prescribed forms for reports.
- (f) To certify to the General Convention lists of the Clergy of the Diocese, and the names of Deputies to the General Convention.
- (g) To prepare and submit such reports from the Diocese as may be required by the General Convention or by any other official body under authority of the General Convention.
- (h) To supervise the proper publication of the *Journal* of the proceedings of the Council, subject to the orders of the Council, and to post the *Journal* on the Diocesan website and otherwise make it available to interested persons upon request.
- (i) To publish in the *Journal* each year a page or pages memorializing Lay leaders of the Diocese and/or Council who have died during the preceding year and to publish a separate page for each member of the Clergy canonically resident in the Diocese who has died during the preceding year.
- (j) Do whatever else may be required by the Council.
- (k) Keep and report to the Treasurer of the Diocese an account of all expenses incurred under this Canon.

SUBMITTED BY: The Rev. John A. Logan, Jr., Christ Church Cathedral, Houston

RATIONALE (by Rev. Logan): Similar to the proposed amendments to Articles 10 and 11 of the Constitution, the purpose of this amendment is to update the canonical requirements for the publication of the *Journal* in light of modern word processing and communications technology. The amendment thus deletes the requirements that the *Journal* be "printed" and "copies" distributed to various persons. The amendment

reflects current practice that the *Journal* is prepared on a word processor and posted on the Diocesan Web site. Not only is this more cost-efficient, but it also results in the *Journal* being available to not only the persons enumerated in the current Canon but all other interested persons. The Secretary continues to have printed a few copies of the *Journal* for filing in the Diocesan archives and with the Secretary of the House of Deputies, but the Secretary does not need canonical authorization or direction to continue that practice.

The amendment also deletes the requirement that the *Journal* contain the names and contact information of the Standing Committee, Executive Board, Departments of the Executive Boards, and Committees of Council, as that information can also be found elsewhere on the Diocesan Web site.

THE COMMITTEE RECOMMENDS ADOPTION OF THIS PROPOSAL.

Canon 19
PENSIONS, INSURANCE, AND OTHER BENEFITS

EXISTING:

Section 19.1 *Clergy Benefits*

In addition to the assessments by The Church Pension Fund required by other provisions of these Canons, each Parish and Mission of the Diocese shall make provision for payment of the following to or for the account of each of the Clergy assigned to or employed by each Parish or Mission:

- (a) Group life insurance premiums
- (b) Comprehensive medical and hospitalization insurance premiums
- (c) Adequate housing in kind, or a reasonable cash allowance in lieu thereof
- (d) Full utility allowances
- (e) Reimbursement for the full amount of Federal social security taxes
- (f) Adequate automobile mileage and other travel allowances, where appropriate provided, however, that a Parish or Mission shall not be required to pay or make provision for any of the foregoing items to the extent same are paid by either of the diocesan budgets or in any other manner. Such items applicable to any of the Clergy assigned to or employed by more than one Parish or Mission shall be equitably apportioned between or among the congregations concerned.

PROPOSED:

Section 19.1 *Clergy Benefits*

In addition to the assessments by The Church Pension Fund required by other provisions of these Canons, each Parish, ~~and Mission, and Institution~~ of the Diocese shall make provision for payment of the following to or for the account of each of the Clergy assigned to or employed by each ~~Parish or Mission~~ entity:

- (a) Group life insurance premiums
- (b) Comprehensive medical and hospitalization insurance premiums
- (c) Adequate housing in kind, or a reasonable cash allowance in lieu thereof
- (d) Full utility allowances
- (e) Reimbursement for the full amount of Federal social security taxes
- (f) Adequate automobile mileage and other travel allowances, where appropriate provided, however, that a Parish or Mission shall not be required to pay or make provision for any of the foregoing items to the extent same are paid by either of the diocesan budgets or in any other manner. Such items applicable to any of the Clergy assigned to or employed by more than one Parish or Mission shall be equitably apportioned between or among the congregations concerned.

IF AMENDED:

Section 19.1 *Clergy Benefits*

In addition to the assessments by The Church Pension Fund required by other provisions of these Canons, each Parish, Mission, and Institution of the Diocese shall make provision for payment of the following to or for the account of each of the Clergy assigned to or employed by each entity:

- (a) Group life insurance premiums
- (b) Comprehensive medical and hospitalization insurance premiums
- (c) Adequate housing in kind, or a reasonable cash allowance in lieu thereof
- (d) Full utility allowances
- (e) Reimbursement for the full amount of Federal social security taxes

(f) Adequate automobile mileage and other travel allowances, where appropriate provided, however, that a Parish or Mission shall not be required to pay or make provision for any of the foregoing items to the extent same are paid by either of the diocesan budgets or in any other manner. Such items applicable to any of the Clergy assigned to or employed by more than one Parish or Mission shall be equitably apportioned between or among the congregations concerned.

SUBMITTED BY: Canon to the Ordinary Ann Normand, Diocese of Texas

RATIONALE (by Canon Normand): This Canonical change would ensure that there is an equity of compensation for our clergy across all of our institutions, including the reimbursement of our clergy for their self-employment taxes.

THE COMMITTEE RECOMMENDS ADOPTION OF THIS PROPOSAL.

Canon 25
THE EPISCOPAL THEOLOGICAL SEMINARY
OF THE SOUTHWEST

EXISTING:

Section 25.1 *An Instrumentality of the Diocese*

The corporation known as The Episcopal Theological Seminary of the Southwest, organized and existing as a nonprofit corporation under the laws of the State of Texas, is hereby recognized and designated as an instrumentality of the Diocese of Texas.

Section 25.2 *Administration, By-Laws, and Officers*

The control and administration of the Seminary shall be vested in a Board of Trustees as provided in Canon 25.3. The Bishop of the Diocese of Texas, or if there is a Bishop Coadjutor of the Diocese of Texas and the appropriate duty has been assigned by the Bishop of the Diocese of Texas to the Bishop Coadjutor, the Bishop or Bishop Coadjutor of the Diocese of Texas shall be Chair of the Board of Trustees and President of the Seminary Corporation ("Corporation").

The Bishop or Bishop Coadjutor of the Diocese of Texas may relinquish the position of Chair of the Board of Trustees and President of the Corporation for a period of three years from the time of such relinquishment (the "Relinquishment Period"). Contemporaneously with such relinquishment, the Board shall elect one of its members to serve as Chair of the Board and President of the Corporation for such term or terms as the Board determines during the Relinquishment Period. During the Relinquishment Period, the Bishop or Bishop Coadjutor of the Diocese of Texas shall be *ex-officio* a member of the Board of Trustees. At the end of the Relinquishment Period, the Bishop or Bishop Coadjutor of the Diocese of Texas shall again be Chair of the Board of Trustees and President of the Corporation; provided, that the Bishop or Bishop

Coadjutor of the Diocese of Texas may again relinquish such positions as provided in and subject to the first sentence of this paragraph.

Other officers shall be elected by the Board. The Board shall adopt its own bylaws, which shall conform to the Constitution and Canons of the Diocese of Texas. All actions respecting property, endowment, or the appointment of a Dean and President shall require the consent of the Bishop or Bishop Coadjutor of the Diocese of Texas, as provided above.

Section 25.3 *Board of Trustees*

The Board of Trustees shall consist of not more than twenty-five (25) members, including the Bishop or Bishop Coadjutor of the Diocese of Texas. Six (6) members, exclusive of the Bishop or Bishop Coadjutor of the Diocese of Texas, shall be at least 18 years of age, confirmed communicants in good standing, and actually or canonically resident in the Diocese of Texas. Such six (6) members shall be elected by the annual Diocesan council, upon nomination of the Bishop, for a term of three (3) years. Two members shall be elected at Diocesan council each year. A member of the Board of Trustees may be elected to up to three (3) consecutive three-year terms, in addition to any unexpired term to which he or she may have been first elected, after which such member may not be renominated for at least one (1) year. All such terms shall begin June 1 of the year of election. The Board of Trustees may fill any vacancy which occurs on the Board among the elected members from the Diocese of Texas until the next annual Diocesan council, when such vacancy shall be filled by election for the remainder of the unexpired term.

Of the remaining members of the Board of Trustees, one (1) shall be appointed by the Chair; one (1) shall be a graduate of the Seminary of the Southwest and elected by the Alumni/ae Association of the Seminary; and, the balance shall be elected by the Board of Trustees as provided in the Bylaws of the Seminary.

In order to afford access to the Board of Trustees, the Board may invite representatives of the faculty, student body, administration, and others to meetings of the Board of Trustees in such numbers and manner as it shall determine in its bylaws.

Section 25.4 *Executive Committee*

An Executive Committee of the Board of Trustees may be elected by the Board of Trustees upon nomination by the Chair to act for the Board of Trustees between meetings of the Board of Trustees, with such Executive Committee to serve for such term, and to have such powers and authority as the bylaws adopted by the Board of Trustees may from time to time provide.

Section 25.5 *Reports, Records, and Funds*

The Board of Trustees shall file a written report at each Annual Council covering the highlights of the year's activities at the Seminary. Financial statements showing its financial condition and the results of the year's operations shall accompany such report. The Executive Board of the Diocese shall be furnished such additional reports and information as it may require. A complete record shall be made of all funds and money received and disbursed in the operation of the Seminary. Such funds shall be used solely for the aims and purposes of the Seminary.

Section 25.6 *Dissolution*

In the event of the dissolution of the Episcopal Theological Seminary of the Southwest as a corporation, or in the event that the Seminary should be shut down or should cease to operate as a seminary, except for normal shut-down periods or other stated temporary periods declared by the Board of Trustees of said Seminary corporation, then and in that event, title of the Episcopal Theological Seminary of the Southwest to all of its property and assets, including any special gifts, grants, or bequests made to it for Seminary purposes shall terminate and title thereto shall thereupon vest, absolutely and without necessity of re-entry, in the Protestant Episcopal Church Council of the Diocese of Texas (a corporation organized under the laws of the State of Texas), subject to all lawful debts, liens, and charges against the same; provided, however, that if any deed of conveyance, trust instrument, or other instrument making a grant, gift, or bequest to the Episcopal Theological Seminary of the Southwest for either specific or general seminary purposes shall contain a provision as to the disposition of the corpus and any unexpended income of the subject matter of such deed of conveyance, trust instrument, or other instrument, in the event of the dissolution of the Episcopal Theological Seminary of the Southwest as a corporation, or in the event of its being shut down or ceasing to operate as stated, then the provision of said deed of conveyance, trust instrument, or other instrument shall govern as to the corpus and any unexpended income of the subject matter thereof in lieu of this provision.

PROPOSED:

Section 25.1 *An Instrumentality of the Diocese*

The corporation known as ~~the~~ Episcopal Theological Seminary of the Southwest, organized and existing as a nonprofit corporation under the laws of the State of Texas, is hereby recognized and designated as an instrumentality of the Diocese of Texas.

Section 25.2 *Administration, By-Laws, and Officers*

The control and administration of the Seminary shall be vested in a Board of Trustees as provided in Canon 25.3. The Bishop of the Diocese of Texas, ~~or if there is a Bishop Coadjutor of the Diocese of Texas and the appropriate duty has been assigned by the Bishop of the Diocese of Texas to the Bishop Coadjutor, the Bishop or Bishop~~

Coadjutor of the Diocese of Texas shall be Chair of the Board of Trustees and President of the Seminary Corporation ("Corporation"). The Bishop shall have the power to designate the Bishop Coadjutor or any Bishop Suffragan or Assistant Bishop to be an ex-officio member of the Board of Trustees, to take the Bishop's place as Chair of the Board, and to exercise all rights and powers of such Chair. Such delegation shall expire at the end of each calendar year subject to the Bishop's right to terminate such delegated authority prior thereto or to extend such delegated authority for successive one-year periods. In the event of such delegation of authority, the Bishop may elect to continue or discontinue serving on the Board during the period of delegation.

~~The Bishop or Bishop Coadjutor of the Diocese of Texas may relinquish the position of Chair of the Board of Trustees and President of the Corporation for a period of three years from the time of such relinquishment (the "Relinquishment Period"). Contemporaneously with such relinquishment, the Board shall elect one of its members to serve as Chair of the Board and President of the Corporation for such term or terms as the Board determines during the Relinquishment Period. During the Relinquishment Period, the Bishop or Bishop Coadjutor of the Diocese of Texas shall be *ex-officio* a member of the Board of Trustees. At the end of the Relinquishment Period, the Bishop or Bishop Coadjutor of the Diocese of Texas shall again be Chair of the Board of Trustees and President of the Corporation; provided, that the Bishop or Bishop Coadjutor of the Diocese of Texas may again relinquish such positions as provided in and subject to the first sentence of this paragraph.~~

Other officers shall be elected by the Board. The Board shall adopt its own Bylaws, which shall conform to the Constitution and Canons of the Diocese of Texas. All actions respecting property, endowment, or the appointment of a Dean and President shall require the consent of the ~~Bishop or Bishop Coadjutor of the Diocese of Texas~~Chair of the Board, as provided above.

Section 25.3 *Board of Trustees*

The Board of Trustees shall consist of not more than twenty-five (25) members, including the Bishop ~~or Bishop Coadjutor~~ of the Diocese of Texas. Six (6) members, exclusive of the Bishop ~~or Bishop Coadjutor~~ of the Diocese of Texas, shall be at least 18 years of age, confirmed communicants in good standing, and actually or canonically resident in the Diocese of Texas. Such six (6) members shall be elected by the Annual Diocesan Council, upon nomination of the Bishop, for a term of three (3) years. Two members shall be elected at the Annual Diocesan Council each year. A member of the Board of Trustees may be elected to up to three (3) consecutive three-year terms, in addition to any unexpired term to which he or she may have been first elected, after which such member may not be renominated for at least one (1) year. All such terms shall begin June 1 of the year of election. The Board of Trustees may fill any vacancy which occurs on the Board among the elected members from the Diocese of Texas until the next Annual Diocesan Council, when such vacancy shall be filled by election for the remainder of the unexpired term.

Of the remaining members of the Board of Trustees, one (1) shall be appointed by the Chair; one (1) shall be a graduate of the Seminary of the Southwest and elected by the Alumni/ae Association of the Seminary; and, the balance shall be elected by the Board of Trustees as provided in the Bylaws of the Seminary.

In order to afford access to the Board of Trustees, the Board may invite representatives of the faculty, student body, administration, and others to meetings of the Board of Trustees in such numbers and manner as it shall determine in its Bylaws.

Section 25.4 *Executive Committee*

An Executive Committee of the Board of Trustees may be elected by the Board of Trustees upon nomination by the Chair to act for the Board of Trustees between meetings of the Board of Trustees, with such Executive Committee to serve for such term, and to have such powers and authority as the Bylaws adopted by the Board of Trustees may from time to time provide.

Section 25.5 *Reports, Records, and Funds*

The Board of Trustees shall file a written report at each Annual Diocesan Council covering the highlights of the year's activities at the Seminary. Financial statements showing its financial condition and the results of the year's operations shall accompany such report. The Executive Board of the Diocese shall be furnished such additional reports and information as it may require. A complete record shall be made of all funds and money received and disbursed in the operation of the Seminary. Such funds shall be used solely for the aims and purposes of the Seminary.

Section 25.6 *Dissolution*

In the event of the dissolution of the Episcopal Theological Seminary of the Southwest as a corporation, or in the event that the Seminary should be shut down or should cease to operate as a seminary, except for normal shut-down periods or other stated temporary periods declared by the Board of Trustees, ~~of said Seminary corporation~~, then and in that event, title of the Episcopal Theological Seminary of the Southwest to all of its property and assets, including any special gifts, grants, or bequests made to it for Seminary purposes shall terminate and title thereto shall thereupon vest, absolutely and without necessity of re-entry, in the Protestant Episcopal Church Council of the Diocese of Texas (a nonprofit corporation organized under the laws of the State of Texas), subject to all lawful debts, liens, and charges against the same; provided, however, that if any deed of conveyance, trust instrument, or other instrument making a grant, gift, or bequest to the Episcopal Theological Seminary of the Southwest for either specific or general seminary purposes shall contain a provision as to the disposition of the corpus and any unexpended income of the subject matter of such deed of conveyance, trust instrument, or other instrument, in the event of the dissolution of the Episcopal Theological Seminary of the Southwest as a corporation, or in the event of its being shut down or ceasing to operate as stated, then the provision of

said deed of conveyance, trust instrument, or other instrument shall govern as to the corpus and any unexpended income of the subject matter thereof in lieu of this provision.

IF AMENDED:

Section 25.1 *An Instrumentality of the Diocese*

The corporation known as the Episcopal Theological Seminary of the Southwest, organized and existing as a nonprofit corporation under the laws of the State of Texas, is hereby recognized and designated as an instrumentality of the Diocese of Texas.

Section 25.2 *Administration, By-Laws, and Officers*

The control and administration of the Seminary shall be vested in a Board of Trustees as provided in Canon 25.3. The Bishop of the Diocese of Texas shall be Chair of the Board of Trustees. The Bishop shall have the power to designate the Bishop Coadjutor or any Bishop Suffragan or Assistant Bishop to be an ex-officio member of the Board of Trustees, to take the Bishop's place as Chair of the Board, and to exercise all rights and powers of such Chair. Such delegation shall expire at the end of each calendar year subject to the Bishop's right to terminate such delegated authority prior thereto or to extend such delegated authority for successive one-year periods. In the event of such delegation of authority, the Bishop may elect to continue or discontinue serving on the Board during the period of delegation.

Other officers shall be elected by the Board. The Board shall adopt its own Bylaws, which shall conform to the Constitution and Canons of the Diocese of Texas. All actions respecting property, endowment, or the appointment of a Dean and President shall require the consent of the Chair of the Board, as provided above.

Section 25.3 *Board of Trustees*

The Board of Trustees shall consist of not more than twenty-five (25) members, including the Bishop of the Diocese of Texas. Six (6) members, exclusive of the Bishop of the Diocese of Texas, shall be at least 18 years of age, confirmed communicants in good standing, and actually or canonically resident in the Diocese of Texas. Such six (6) members shall be elected by the Annual Diocesan Council, upon nomination of the Bishop, for a term of three (3) years. Two members shall be elected at the Annual Diocesan Council each year. A member of the Board of Trustees may be elected to up to three (3) consecutive three-year terms, in addition to any unexpired term to which he or she may have been first elected, after which such member may not be renominated for at least one (1) year. All such terms shall begin June 1 of the year of election. The Board of Trustees may fill any vacancy which occurs on the Board among the elected members from the Diocese of Texas until the next Annual Diocesan Council, when such vacancy shall be filled by election for the remainder of the unexpired term.

Of the remaining members of the Board of Trustees, one (1) shall be appointed by the Chair; one (1) shall be a graduate of the Seminary of the Southwest and elected by the Alumni/ae Association of the Seminary; and, the balance shall be elected by the Board of Trustees as provided in the Bylaws of the Seminary.

In order to afford access to the Board of Trustees, the Board may invite representatives of the faculty, student body, administration, and others to meetings of the Board of Trustees in such numbers and manner as it shall determine in its Bylaws.

Section 25.4 *Executive Committee*

An Executive Committee of the Board of Trustees may be elected by the Board of Trustees upon nomination by the Chair to act for the Board of Trustees between meetings of the Board of Trustees, with such Executive Committee to serve for such term, and to have such powers and authority as the Bylaws adopted by the Board of Trustees may from time to time provide.

Section 25.5 *Reports, Records, and Funds*

The Board of Trustees shall file a written report at each Annual Diocesan Council covering the highlights of the year's activities at the Seminary. Financial statements showing its financial condition and the results of the year's operations shall accompany such report. The Executive Board of the Diocese shall be furnished such additional reports and information as it may require. A complete record shall be made of all funds and money received and disbursed in the operation of the Seminary. Such funds shall be used solely for the aims and purposes of the Seminary.

Section 25.6 *Dissolution*

In the event of the dissolution of the Episcopal Theological Seminary of the Southwest as a corporation, or in the event that the Seminary should be shut down or should cease to operate as a seminary, except for normal shut-down periods or other stated temporary periods declared by the Board of Trustees, then and in that event, title of the Episcopal Theological Seminary of the Southwest to all of its property and assets, including any special gifts, grants, or bequests made to it for Seminary purposes shall terminate and title thereto shall thereupon vest, absolutely and without necessity of re-entry, in the Protestant Episcopal Church Council of the Diocese of Texas (a nonprofit corporation organized under the laws of the State of Texas), subject to all lawful debts, liens, and charges against the same; provided, however, that if any deed of conveyance, trust instrument, or other instrument making a grant, gift, or bequest to the Episcopal Theological Seminary of the Southwest for either specific or general seminary purposes shall contain a provision as to the disposition of the corpus and any unexpended income of the subject matter of such deed of conveyance, trust instrument, or other instrument, in the event of the dissolution of the Episcopal Theological Seminary of the Southwest as a corporation, or in the event of its being shut down or ceasing to operate as stated, then the provision of said deed of conveyance, trust

instrument, or other instrument shall govern as to the corpus and any unexpended income of the subject matter thereof in lieu of this provision.

SUBMITTED BY: Mr. Bob Schorr, Coordinator for Church Plants and Strategic Development, Diocese of Texas, and the Rev. Patrick Miller, St. Mark's, Houston, on behalf of the Board of Trustees of the Episcopal Theological Seminary of the Southwest.

RATIONALE (by Mr. Schorr and Rev. Miller): The principal purpose of this amendment is to make applicable to the Seminary provisions identical to Canon 4.9, which allows the Bishop to designate the Bishop Coadjutor or any Suffragan Bishop or Assistant Bishop to take the Bishop's place as Chair of various Diocesan entities. The amendment is also consistent with the Seminary's Bylaws and current practices. The amendment also eliminates some confusion about whether there exists a separate entity called the Seminary Corporation. There is only one entity, the Seminary, but it is, as Section 25.1 correctly notes, a nonprofit corporation.

THE COMMITTEE RECOMMENDS ADOPTION OF THIS PROPOSAL.

Canon 29

DIOCESAN ST. JAMES HOUSES

EXISTING:

Section 29.2 *Trustees – Powers and Duties*

(a) The affairs of Diocesan St. James Houses shall be conducted by a Board of Trustees consisting of 24 members nominated by the Bishop and elected by Council, in addition to the Bishop who shall be an *ex-officio* member and Chair of the Board. The Bishop may appoint the Bishop Coadjutor, if there be one, or any Suffragan Bishop as a member of the Board; and if the Bishop does not elect to serve on the Board, such Bishop Coadjutor or Suffragan Bishop so appointed shall be an *ex-officio* member and Chair of the Board. Eight members shall constitute a quorum.

(b) In addition to those heretofore elected to the Board of Trustees, the Bishop shall appoint six additional members to serve until the 134th Annual Council, which shall elect eight Trustees for three-year terms, two Trustees for two-year terms, and two Trustees for one-year terms. Thereafter, each Annual Council shall elect eight Trustees for three-year terms. No retiring member of the Board who has served a full term shall be renominated until one year has elapsed. Any vacancies existing or occurring in the Board may be filled by the Board for the unexpired term.

PROPOSED:

Section 29.2 *Trustees – Powers and Duties*

(a) The affairs of Diocesan St. James Houses shall be conducted by a Board of Trustees consisting of not fewer than nine and not more than 24 members nominated by the Bishop and elected by Council, in addition to the Bishop who shall be an *ex-officio* member and Chair of the Board. The Bishop may appoint the Bishop Coadjutor, if there be one, or any Bishop Suffragan–Bishop as a member of the Board; and if the Bishop does not elect to serve on the Board, such Bishop Coadjutor or Bishop Suffragan–Bishop so appointed shall be an *ex-officio* member and Chair of the Board. If the term of the person who served as the President of the Board for the immediately preceding year has expired, such past President, shall be an *ex-officio* member ~~and Chair~~ of the Board of Trustees for one year from the end of his/her term, serving in that capacity with voice but no vote (each member, including both elected and *ex-officio* members, is referred to herein as a “Trustee”). Eight members shall constitute a quorum.

(b) ~~In addition to those heretofore elected to the Board of Trustees, the Bishop shall appoint six additional members to serve until the 134th Annual Council, which shall elect eight Trustees for three-year terms, two Trustees for two-year terms, and two Trustees for one-year terms. Thereafter, e~~Each Annual Council shall elect eight Trustees for three-year terms no fewer than three and no more than eight Trustees for three-year terms. Upon the expiration of the first full term of a member of the Board, that Board member may be renominated for a second full term. Upon the expiration of the partial term of a member of the Board, that Board member may be renominated for a full term and, at the conclusion of the first full term, may be renominated for a second full term. No retiring member of the Board who has served ~~at two full term terms~~ shall be renominated until one year has elapsed; provided, a past President serving on the board as an *ex-officio* member for an additional year pursuant to Section 29.2 shall be eligible for re-election upon the completion of such year. Any vacancies existing or occurring in the Board may be filled by the Board for the unexpired term.

IF AMENDED:

Section 29.2 *Trustees – Powers and Duties*

(a) The affairs of Diocesan St. James Houses shall be conducted by a Board of Trustees consisting of not fewer than nine and not more than 24 members nominated by the Bishop and elected by Council, in addition to the Bishop who shall be an *ex-officio* member and Chair of the Board. The Bishop may appoint the Bishop Coadjutor, if there be one, or any Bishop Suffragan as a member of the Board; and if the Bishop does not elect to serve on the Board, such Bishop Coadjutor or Bishop Suffragan so appointed shall be an *ex-officio* member and Chair of the Board. If the term of the person who served as the President of the Board for the immediately

preceding year has expired, such past President, shall be an *ex-officio* member of the Board of Trustees for one year from the end of his/her term, serving in that capacity with voice but no vote (each member, including both elected and *ex-officio* members, is referred to herein as a "Trustee"). Eight members shall constitute a quorum.

(b) Each Annual Council shall elect no fewer than three and no more than eight Trustees for three-year terms. Upon the expiration of the first full term of a member of the Board, that Board member may be renominated for a second full term. Upon the expiration of the partial term of a member of the Board, that Board member may be renominated for a full term and, at the conclusion of the first full term, may be renominated for a second full term. No retiring member of the Board who has served two full terms shall be renominated until one year has elapsed; provided, a past President serving on the board as an *ex-officio* member for an additional year pursuant to Section 29.2 shall be eligible for re-election upon the completion of such year. Any vacancies existing or occurring in the Board may be filled by the Board for the unexpired term.

SUBMITTED BY: Ms. Pamela S. Nolting, Good Shepherd, Kingwood, on behalf of the Board of Directors of St. James House, Baytown.

RATIONALE (by Ms. Nolting): The proposed amendment to Section 29.2(a) would remove the emphasis on a particular number of Board members and also provides the flexibility in Board size allowed by and reflected in the Articles of Incorporation. This amendment also corrects the title "Suffragan Bishop" to "Bishop Suffragan." Additionally, it allows for a retiring president to remain on the Board for an additional year, but without vote, to assist in the transition of a new president. With respect to the proposed amendment to Section 29.2(b), St. James House, Baytown, is a large, complicated medical facility that has been undergoing a great many changes in structure and management. Indeed, the entire culture of the facility is in the process of change. The learning curve is steep. Losing Trustees after only three years results in a "brain drain" that is detrimental to the ministry. Because of the ongoing culture change, Bishop Doyle has asked several retiring Trustees to remain for additional service. Changing the bylaws to allow a second consecutive term on the Board will allow for more flexibility and for better continuity of service. Precedent exists in the diocese for this as Boards of other institutions (e.g., Camp Allen, The Bishop Quin Foundation, Episcopal Seminary of the Southwest, St. Luke's Health System) already allow for consecutive terms of their members. Additionally, this amendment eliminates the language that had outlined the original creation of the Board.

THE COMMITTEE RECOMMENDS ADOPTION OF THIS PROPOSAL.

Maria Wyckoff Boyce, Chair

COMMITTEE ON NOMINATIONS

The Committee for Nominations met on November 19, 2012, at Camp Allen. With prayerful consideration and seeking a diverse list of nominees, we are pleased to place in nomination the following names:

Treasurer of the Diocese – elect 1

Robert John Biehl St. Martin's, Houston

Secretary of the Diocese – elect 1

John A. Logan, Jr. Diocese of Texas

Standing Committee, Lay – elect 1

Peter Boyd Christ Church, Tyler

Junior A. Higgins St. John the Divine, Houston

Mike Hughes Trinity, Galveston

Andrew Lyon Church of the Resurrection, Austin

Mary English Morrison Church of the Resurrection, Austin

Standing Committee, Clergy – elect 1

Mark T. Crawford St. Luke's Episcopal Hospital, Houston

Andrew Parker St. Timothy's, Lake Jackson

James Stockton Church of the Resurrection, Austin

Executive Board, Lay – elect 3

Stephen H. Couch Emmanuel, Houston

Robert Hays St. James', La Grange

S. Wayne Mathis Grace, Alvin

Randall Redd Trinity, The Woodlands

James Rush St. Mark's, Beaumont

David Todd St. Richard's, Round Rock

Executive Board, Clergy – elect 2

Mathew Fenlon St. John the Divine, Houston

Patrick Miller St. Mark's, Houston

Stacy Stringer Holy Trinity, Dickinson

Terrence A. (Ted) Welty St. Philip's, Palestine

Church Corporation, Trustee – elect 1

David T. Harvin St. Martin's, Houston

Rebecca Davis St. Christopher's, Killeen

University of the South, Trustee – elect 1

William Allen Gage, Jr. St. John the Divine, Houston

Sandra Wilkens St. Martin's, Houston

Janice L. Jones, Chair

COMMITTEE ON RESOLUTIONS

Resolution – 1

RESOLUTION AFFIRMING “THE CHARTER FOR COMPASSION”

Whereas, the City of Houston is in the process of affirming the *Charter for Compassion*¹ and thereby designating Houston a “Compassionate City”, along with cities world-wide so designated;

Whereas, the Episcopal Diocese of Texas and the following congregations and institutions are involved with Compassionate Houston which has initiated the designation of Houston as a “Compassionate City” and is founded on the principles of the *Charter for Compassion*: St. Luke’s Episcopal Health System, Episcopal High School, Christ Church Cathedral, St. John the Divine Episcopal Church, St. Martin’s Episcopal Church, Grace Episcopal Church, St. Christopher’s Episcopal Church, Houston; St. Christopher’s Episcopal Church, League City; St. George’s Episcopal Church, Texas City;

Whereas, the Presbyterian Church USA (PC(USA)) affirmed the *Charter for Compassion* in 2010 and the United Methodist Church affirmed the *Charter for Compassion* by resolution at the West Michigan Conference in 2011;

Whereas, the Golden Rule, which is at the center of the *Charter for Compassion*, is foundational to our beliefs and actions as given by Jesus, “So in everything, do to others what you would have them do to you.” (Matthew 7:12);

Whereas, the Diocese of Texas has a long history of compassionate mission and respect for the dignity of every human being, a history that we are now called upon to demonstrate more deeply to the world;

Therefore, be it resolved that the Diocese of Texas affirms the *Charter for Compassion* and encourages its support by sending, through the Ecumenical and Inter-Religious Committee, the *Charter for Compassion* to all its institutions and congregations, encouraging its study and response;

Be it further resolved that the Diocese of Texas understands the importance of joining with others involved to further the understanding of the principles of compassion and how we might live more intentionally, putting compassion at the center of our daily lives and relationships within the Episcopal Church and beyond, in ecumenical and inter-religious contexts, and the world in which we live;

Be it further resolved that the Diocese of Texas encourages other Dioceses and Episcopal Churches across our connections to study the *Charter for Compassion* and to participate in its call to action.

¹ **Charter for Compassion**

"The principle of compassion lies at the heart of all religious, ethical and spiritual traditions, calling us always to treat all others as we wish to be treated ourselves. Compassion impels us to work tirelessly to alleviate the suffering of our fellow creatures, to dethrone ourselves from the centre of our world and put another there, and to honour the inviolable sanctity of every single human being, treating everybody, without exception, with absolute justice, equity and respect.

It is also necessary in both public and private life to refrain consistently and empathically from inflicting pain. To act or speak violently out of spite, chauvinism, or self-interest, to impoverish, exploit or deny basic rights to anybody, and to incite hatred by denigrating others—even our enemies—is a denial of our common humanity. We acknowledge that we have failed to live compassionately and that some have even increased the sum of human misery in the name of religion.

We therefore call upon all men and women ~ to restore compassion to the centre of morality and religion ~ to return to the ancient principle that any interpretation of scripture that breeds violence, hatred or disdain is illegitimate ~ to ensure that youth are given accurate and respectful information about other traditions, religions and cultures ~ to encourage a positive appreciation of cultural and religious diversity ~ to cultivate an informed empathy with the suffering of all human beings—even those regarded as enemies.

We urgently need to make compassion a clear, luminous and dynamic force in our polarized world. Rooted in a principled determination to transcend selfishness, compassion can break down political, dogmatic, ideological and religious boundaries. Born of our deep interdependence, compassion is essential to human relationships and to a fulfilled humanity. It is the path to enlightenment, and indispensable to the creation of a just economy and a peaceful global community." (www.charterforcompassion.org, created November 12, 2009)

Submitters' Rationale: This resolution calls the church to live out more intentionally our Scriptural teachings and baptismal vows through connections and relationships sharing compassion through our love. Today, the people of God face significant challenges: an ever-changing landscape of religious difference, continuing hostilities across the globe, economic instability, unemployment, and the threat of environmental changes affecting future generations.

These challenges may lead to tensions and conflicts with our neighbors whose life circumstances of suffering, loss, or success may be different from ours in some ways. In our struggles, we may be led to isolated or divisive thinking and a preferential treatment of "my group." We forget that Jesus has called us all to a shared vision of a loving, strong community and a heightened sensitivity to the needs of others. In this time of struggle, the Church can lead and model compassionate living that connects, rather than divides, that gives comfort and refuge to the suffering, and lives into the Christ that gifts us with compassion.

Submitted by: The Ecumenical and Inter-Religious Committee: Rev. Gena Davis, chair, vicar, Grace Houston; by Rev. Betty Adam, resident canon theologian, Christ Church Cathedral, Houston and Rev. Robin Reeves, rector, St George's, Texas City for the Committee: Rev. Howard Castleberry, rector, Christ Church Nacogdoches; Rev. Martha Frances; Rev. Alex Montes, vicar, St. Mary Magdalene, Manor; Rev. Uriel Osnaya-Jimenez, vicar, Santa Maria Virgen, Houston; Rev. Rob Leacock, chaplain, St. Andrews Upper School, Austin; Rev. Johannes George, vicar, Christ the King, Alief; and Rev. Judith Liro, associate rector, St. George's Austin.

The Committee on Resolutions recommends the adoption of this resolution.

Resolution – 2

RESOLUTION ON THE NEED FOR INCREASED AWARENESS OF OTHER FAITHS

Whereas, we live in an increasingly diverse world with seemingly opposing viewpoints and cultures, yet we are interrelated and must coexist;

Whereas, the City of Houston is now “the most culturally diverse metropolitan area in the United States”, a diversity that includes a rich diversity of different faiths and is representative of the changing demographics in the areas in which we serve, which provides an opportunity for followers of Christ in the Diocese of Texas to model peaceful interactions and even new possibilities for partnership in ministry here;

Whereas, we have been given “the ministry of reconciliation” (2 Cor. 5) and as Paul in the Areopagus (Acts 17), we must first understand our brothers and sisters in order to meet them where they are;

Whereas, to foster a vibrant and growing ministry in the Diocese of Texas, there is a need for increased awareness of other faith systems, cultures and denominations to encourage dialogue and partnership with each other;

Whereas, because of this need the clergy and laity of this diocese would benefit greatly from a more ecumenical understanding, a working knowledge of other religions and an interfaith vocabulary;

Therefore, be it resolved that the Diocese of Texas encourages a means of increasing clergy and laity awareness of all denominations and religious traditions, as well as encouraging ways to discover our cultural differences;

Be it further resolved that the Diocese of Texas encourages promotion of educational offerings to parishes and diocesan events deemed appropriate by the bishop, to be coordinated through the Ecumenical and Inter-Religious Committee;

Be it further resolved that the Diocese of Texas, through the Ecumenical and Inter-Religious Committee, will seek and support creative and effective strategies that promote ecumenical and inter-religious relationships within this diocese and throughout the world.

¹ The Kinder Institute for Urban Research, Rice University and The Hobby Center for the Study of Texas, 2012 – <http://www.has.rice.edu>

Submitters’ Rationale: There is a growing theological and cultural tension in our post-nuclear world that continues to saddle God’s people with stress. Ignorance of other faith systems, denominations and cultures perpetuates the fallacy of “the other” and adds to this stress and heightens our fears. Understanding basic foundational beliefs of other faith traditions is the first step towards relieving this stress by seeking common

ground with those whom God has placed in our path. From this understanding, we can better know our Christian brothers and sisters and partners in Christian inter-religious ministry. We can through dialogue also gain understanding and grow an interfaith vocabulary for the building of relationships of mutual understanding and respect. As members of God's church, we are called to do this as "Ambassadors for Christ" (2 Cor. 5:20), "loving our neighbor as ourselves." From this increased awareness of other faith systems and cultures, we can build relationships of trust, which provide us unique opportunities to witness, love and serve "to the ends of the earth" (Acts 1:8).

Submitted by: The Ecumenical and Inter-Religious Committee: Rev. Gena Davis, chair, vicar, Grace Houston; by Rev. Howard Castleberry, rector, Christ Church Nacogdoches for the Committee; Rev. Robin Reeves, rector, St. George's, Texas City; Rev. Betty Adam, resident canon theologian, Christ Church Cathedral, Houston; Rev. Martha Frances; Rev. Alex Montes, vicar, St. Mary Magdalene, Manor; Rev. Uriel Osnaya-Jimenez, vicar, Santa Maria Virgen, Houston; Rev. Rob Leacock, chaplain, St. Andrews Upper School, Austin; Rev. Johannes George, vicar, Christ the King, Alief; and Rev. Judith Liro, associate rector, St. George's Austin.

The Committee on Resolutions recommends the adoption of this resolution.

Resolution – 3 RESOLUTION ON CREATION OF TASK FORCE ON CANON 43

Whereas, prior to 1996, the moral fitness of clergy was ultimately assessed by the Bishop; and

Whereas, in 1996, Diocesan Council assumed some facets of the Bishop's power by passing Canon 43 which disqualifies any person from membership in the clergy who engages in sexual relations outside of Holy Matrimony; and

Whereas, since its passage, Canon 43 has been a constant source of ardent, and often divisive, debate at Diocesan Council: some delegates believe that Canon 43 demonstrates Council's support for high moral standards; while others are concerned that Canon 43 categorically excludes otherwise qualified people from the clergy and potentially causes some good and faithful clergy to live in a state of untruthfulness about their personal lives; and

Whereas, several factors indicate that further review, study and analysis of Canon 43 is needed. These include Diocesan Council's continuing interest in Canon 43; approval by the National Church of a model covenant for same-sex couples in long-term committed relationships; the increasing number of clergy under the age of forty who, like others in that demographic, may marry later in life; and finally, Canon 43 is not sensitive to the needs of widowed or divorced clergy; and

Whereas, several factors indicate a need for review and in-depth discussion of Canon 43 outside the forum of Diocesan Council. These factors include Diocesan Council's time constraints and the emotional nature of discussions related to Canon 43.

Therefore, be it resolved that between the 2013 and 2014 meetings of Diocesan Council, the Bishop shall establish a Task Force to review, study, and analyze Canon 43 and provide a recommendation on its place in our common life;

And be it further resolved that the Bishop shall designate the chair of the Task Force;

And be it further resolved that the Bishop, or his designee(s), may select members of the following entities to serve on the Task Force: the Standing Committee, the Executive Board, and the Commission on Ministry;

And be it further resolved that those called to serve on the Task Force shall represent a board spectrum of views and shall have demonstrated their commitment to respect those of differing opinions;

And be it further resolved that, as part of its review, study, and analysis of Canon 43, the Task Force may also seek the counsel of other members of the Diocesan Community as deemed necessary;

And be it finally resolved that the Task Force will report its findings and recommendation to Diocesan Council in 2014.

Submitted by: Dr. James Key, M.D., Palmer, Houston; and Sandra Kelley, All Saints', Austin.

The Committee on Resolutions does not recommend the adoption of this resolution.

COURTESY RESOLUTIONS

Greetings to the Diocese of West Texas

WHEREAS, the Council of the Episcopal Diocese of Texas in 1874 asked the General Convention to assume jurisdiction over "that portion of the state generally known as 'Western Texas,'" for the purpose of forming the Missionary Diocese of West Texas; and

WHEREAS, during its 138-year life, the Episcopal Diocese of West Texas has been a blessing on all people within its jurisdiction providing for the church gifted spiritual leaders and caring pastors; therefore be it

RESOLVED, that the 164th Council of the Episcopal Diocese of Texas, the Mother Church, sends its greetings and blessings to the bishops, clergy and people of the Episcopal Diocese of West Texas giving thanks for our continued partnership in the proclamation of the Good News of Jesus Christ.

Greetings to the Diocese of Arkansas

WHEREAS, the Diocese of Texas is a member of the worldwide Anglican Communion, and more particularly, of the Episcopal Church and of Province VII of this Church; and WHEREAS, the Diocese of Texas values our membership in these bodies and our place in the wider ministry of Christ's Church; therefore be it RESOLVED, that the 164th Council of the Diocese of Texas, assembled in Houston, Texas, instructs the Secretary of the Council to send greetings to:
The Rt. Rev. Larry R. Benfield, Bishop of Arkansas.

Greetings to the Diocese of Dallas

WHEREAS, the Diocese of Texas is a member of the worldwide Anglican Communion, and more particularly, of the Episcopal Church and of Province VII of this Church; and WHEREAS, the Diocese of Texas values our membership in these bodies and our place in the wider ministry of Christ's Church; therefore be it RESOLVED, that the 164th Council of the Diocese of Texas, assembled in Houston, Texas, instructs the Secretary of the Council to send greetings to:
The Rt. Rev. James M. Stanton, Bishop of Dallas.

Greetings to the Diocese of Fort Worth

WHEREAS, the Diocese of Texas is a member of the worldwide Anglican Communion, and more particularly, of the Episcopal Church and of Province VII of this Church; and WHEREAS, the Diocese of Texas values our membership in these bodies and our place in the wider ministry of Christ's Church; therefore be it RESOLVED, that the 164th Council of the Diocese of Texas, assembled in Houston, Texas, instructs the Secretary of the Council to send greetings to:
The Rt. Rev. C. Wallis Ohl Jr., Bishop of Fort Worth.

Greetings to the Diocese of Kansas

WHEREAS, the Diocese of Texas is a member of the worldwide Anglican Communion, and more particularly, of the Episcopal Church and of Province VII of this Church; and WHEREAS, the Diocese of Texas values our membership in these bodies and our place in the wider ministry of Christ's Church; therefore be it RESOLVED, that the 164th Council of the Diocese of Texas, assembled in Houston, Texas, instructs the Secretary of the Council to send greetings to:
The Rt. Rev. Dean E. Wolfe, Bishop of Kansas.

Greetings to the Diocese of Northwest Texas

WHEREAS, the Diocese of Texas is a member of the worldwide Anglican Communion, and more particularly, of the Episcopal Church and of Province VII of this Church; and WHEREAS, the Diocese of Texas values our membership in these bodies and our place in the wider ministry of Christ's Church; therefore be it RESOLVED, that the 164th Council of the Diocese of Texas, assembled in Houston, Texas, instructs the Secretary of the Council to send greetings to:
The Rt. Rev. J. Scott Mayer, Bishop of Northwest Texas.

Greetings to the Diocese of Oklahoma

WHEREAS, the Diocese of Texas is a member of the worldwide Anglican Communion, and more particularly, of the Episcopal Church and of Province VII of this Church; and WHEREAS, the Diocese of Texas values our membership in these bodies and our place in the wider ministry of Christ's Church; therefore be it RESOLVED, that the 164th Council of the Diocese of Texas, assembled in Houston, Texas, instructs the Secretary of the Council to send greetings to:
The Rt. Rev. Edward J. Konieczny, Bishop of Oklahoma.

Greetings to the Diocese of Rio Grande

WHEREAS, the Diocese of Texas is a member of the worldwide Anglican Communion, and more particularly, of the Episcopal Church and of Province VII of this Church; and WHEREAS, the Diocese of Texas values our membership in these bodies and our place in the wider ministry of Christ's Church; therefore be it RESOLVED, that the 164th Council of the Diocese of Texas, assembled in Houston, Texas, instructs the Secretary of the Council to send greetings to:
The Rt. Rev. Michael Louis Vono, Bishop of Rio Grande.

Greetings to the Diocese of West Missouri

WHEREAS, the Diocese of Texas is a member of the worldwide Anglican Communion, and more particularly, of the Episcopal Church and of Province VII of this Church; and WHEREAS, the Diocese of Texas values our membership in these bodies and our place in the wider ministry of Christ's Church; therefore be it RESOLVED, that the 164th Council of the Diocese of Texas, assembled in Houston, Texas, instructs the Secretary of the Council to send greetings to:
The Rt. Rev. Martin S. Field, Bishop of West Missouri.

Greetings to the Diocese of West Texas

WHEREAS, the Diocese of Texas is a member of the worldwide Anglican Communion, and more particularly, of the Episcopal Church and of Province VII of this Church; and WHEREAS, the Diocese of Texas values our membership in these bodies and our place in the wider ministry of Christ's Church; therefore be it RESOLVED, that the 164th Council of the Diocese of Texas, assembled in Houston, Texas, instructs the Secretary of the Council to send greetings to:
The Rt. Rev. Gary R. Lillibridge, Bishop of West Texas.

Greetings to the Diocese of Western Kansas

WHEREAS, the Diocese of Texas is a member of the worldwide Anglican Communion, and more particularly, of the Episcopal Church and of Province VII of this Church; and WHEREAS, the Diocese of Texas values our membership in these bodies and our place in the wider ministry of Christ's Church; therefore be it RESOLVED, that the 164th Council of the Diocese of Texas, assembled in Houston, Texas, instructs the Secretary of the Council to send greetings to:
The Rt. Rev. Michael P. Milliken, Bishop of Western Kansas.

Greetings to the Diocese of Western Louisiana

WHEREAS, the Diocese of Texas is a member of the worldwide Anglican Communion, and more particularly, of the Episcopal Church and of Province VII of this Church; and WHEREAS, the Diocese of Texas values our membership in these bodies and our place in the wider ministry of Christ's Church; therefore be it

RESOLVED, that the 164th Council of the Diocese of Texas, assembled in Houston, Texas, instructs the Secretary of the Council to send greetings to:

The Rt. Rev. Jacob W. Owensby, Ph.D., Bishop of Western Louisiana.

Greetings to Seminarians and Iona Students

WHEREAS, the Episcopal Diocese of Texas currently has thirteen seminarians preparing for Holy Orders attending the Seminary of the Southwest, the Virginia Theological Seminary, the Sewanee School of Theology, as well as, sixteen students preparing for Holy Orders attending the Iona School of Ministry; therefore be it

RESOLVED, that the Secretary of the Diocese be requested to write each student to convey to him or her the best wishes of the 164th Annual Council of the Episcopal Diocese of Texas and the reminder that each has been remembered in the prayers of this Council.

On the Retirement of Clergy

WHEREAS, the Reverends David Puckett, Lucretia "Luchy" Littlejohn, Connie Wolfe, Samuel Craven, James Hamilton, Joe D. Reynolds, Ron Smith, and Kenneth Fields have faithfully served the Church and this diocese through their ministries in parishes, institutions, and boards; and

WHEREAS, these clergy have retired from the active ministry during 2012 and to this date in 2013; and

WHEREAS, the Episcopal Diocese of Texas has been richly blessed by their gifts in the service of our Lord; therefore be it

RESOLVED, that the 164th Annual Council of the Episcopal Diocese of Texas gives glory to God for their faithful witness and wishes them well in this new stage of life in Christ.

In Honor of Council Hosts

WHEREAS, the people of the Episcopal Diocese of Texas saw fit to gather in Houston, Texas; home to many vibrant and thriving ministries of our Diocese; therefore be it

RESOLVED, that the 164th Council of the Episcopal Diocese of Texas offers prayers of gratitude and thanksgiving for the excellent work done by Rev. Cecilia Smith, Diocesan Council Chair Dennis Itzep, the Reverend Ureil Osnaya-Jimenez, the Rev. Alejandro S. Montes, and all the people and staff of the Sponsoring Hispanic Congregations of the Diocese of Texas: Santa Maria Virgen, San Mateo, Christ Church Cathedral, St. Alban's, San Pablo, San Bernabe, St. Peter's, St. John's San Francisco de Asis, and Santa Maria Magdalena, in hosting this Council.

Keith Giblin, Chair

III. REPORTS OF THE BISHOPS

REPORT OF BISHOP DOYLE

I was recently rereading the book entitled *The Brothers Karamazov* by Fyodor Dostoevsky. In its earliest pages a faithful saint-like patriarch father Zosima is dying of old age and offers a few words to the monks gathered around his bedside. One of the wisdom sayings he offers is, "Love God's people...Have faith. Cling to the banner and raise it high."ⁱ This is similar to the words of Paul in the letter to the Hebrews 10:39, "We are not among those who shrink back and so are lost, but among those who have faith." I believe this year we have endeavored to Love God's people, great has been our faithfulness, and we have raised the banner high.

Perhaps some of you may remember the hymn from the Episcopal Hymnal (1892, 1916, and 1940) entitled "Fling out the Banner!" by George Washington Doane.

*Fling out the banner! Let it float
Skyward and seaward, high and wide;
The sun that lights its shining folds,
The cross, on which the Saviour died.*

*Fling out the banner! Let it float
Skyward and seaward, high and wide,
Our glory only in the cross;
Our only hope, the Crucified!*

*Fling out the banner! Wide and high,
Seaward and skyward, let it shine
Nor skill, nor might, nor merit ours;
We conquer only in that sign.*



As I reflect on the year that is past I am mindful of its myriad distractions of politics, conflict, and economic concerns both within and without the Church proper. Yet at the same time I believe we have been faithful. We have been intent together to love God's people. We have earnestly attempted to be a people in mission. We have believed in the transformation of God and the power of God's love to transform our own lives and our own communities. I am as I write this clear that we have clung to the banner of Christ's cross and there we have found grace, mercy, and kindness for our own souls and plenteous love for our neighbor.

It is clear in the Episcopal Diocese of Texas that God's Mission has a church and we are his faithful people. Our mission is clear: to love the people of God and cling to the banner of God. This is our faith, this is our witness, and this is our time.

My friends, my brothers and sisters in Christ, it is a good time to be in Texas and in the Diocese of Texas.

It is worth remembering and to be reminded that the complexities of our mission context is manifold and that clarity on every front and in every mission field is needed if we are



St Andrews, Pearland, left their building on Sundays and held worship services and did mission work all over the area as a creative evangelism experiment for the church.

to be successful in supporting and empowering disciples to do God's work in church and in the missionary fields of neighborhood and city. So it is that we have listened to God in prayer and clarified our mission and values. We listened to one another in the town hall meetings of 2009. We prayed and discerned a clear and comprehensive strategic plan for the diocese in 2010. And, have begun to press our missionary efforts into that plan and find that in 2012 we are making headway. The headway is marked not with hopelessness about marginalization but with a spirit of joy and

excitement about our work. It is marked not with a fear of failure but with creativity, experimentation, and a willingness to learn from our failure. Our common life is marked not with suspicion but today it is marked with a sense of Christian fellowship for the common cause of God in Christ Jesus. Despite our variety of congregations, our diversity of cultures and practices today, we grow ever attentive to our personal discipleship as Christians who are unabashedly Episcopalian, and to our service of Christ through *evangelism* and *mission*.ⁱⁱ

The Diocese of Texas has clarity about its mission. We have said and we reaffirm our understanding that God calls us to build the Kingdom of God together. We are empowered by the Holy Spirit in this life and in this ministry. This is experienced in our worship, witness, and ministry together.

In the Diocese of Texas we believe and act out of our continued understanding that we are united and reconciled not by our own efforts but by the work of Christ on the cross. I believe this was reaffirmed as we together developed a partnership that led through General Convention and offered a sense of Unity in Mission which binds us stronger than our individual efforts or issue orientation.ⁱⁱⁱ So it is that we recognize that we are to redouble our efforts at living a life where we continue to pour over scripture and the apostles' teachings, we fellowship together, pray together and for one another, and we worship and break bread together. (Acts 2:42)

In the Diocese of Texas we fearlessly recognize the Truth of John 3:16: "For God so loved the world that he gave his only Son, so that everyone who believes in him may not perish but may have eternal life." And, we proclaim John 3:17 because we are Episcopalians and read the whole of the any given text: "Indeed, God did not send the Son into the world to condemn the world, but in order that the world might be saved through him." Jesus Christ enters the world to embrace the world. He enters the world in order to participate, to undo the powers of this world, by reorienting, refocusing, and drawing our eyes to the greater work of God.

We remember that people asked Jesus, “Why did you come into this world?” He answers clearly, “To glorify God.” This is his answer and he is our teacher in the life of holiness – in the divine economy. Jesus’ death on the cross purchases, redeems, for us the freedom from the bonds of self-service that we may follow him along the way, imitating our teacher, and undertaking the glorification of God.

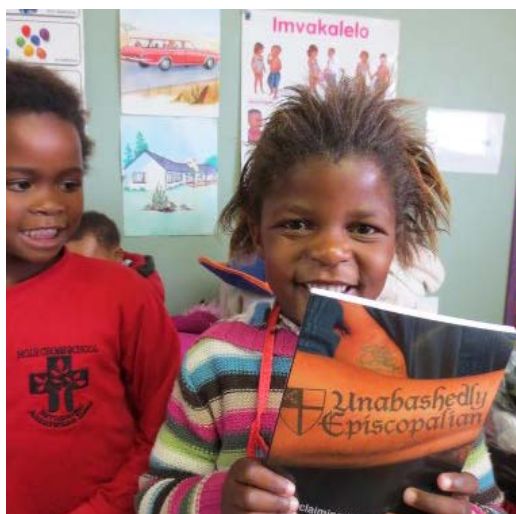
Fling out the banner! For in this last year we have begun to feel free again to love, love God’s people, love one another, and cling to the banner of God’s reconciling mission.

We have begun to be prophetic in our witness to a world looking for God in all the wrong places. We have begun to cast visions of how God is working in the world and how we can be partners with God in his vineyard. Even those who thought after years of ministry that God was finished with them have begun to dream again. (Joel 2:28 & Acts 2:17) So we imagine together ministry that transforms and restores. We imagine and have begun to practice and test what it means to be exceptional stewards. And we have a desire to achieve excellence in mission.

You told me that Ministry that Transforms and Restores people was a primary result of our living life together. In our culture today we hear a lot about corporate identity. This individualization of corporations has created a situation in the West whereby many organizations have become the ends as opposed to the means. In fact this is true in our diocesan offices and in our churches. Church, the organization and the building, is not the end of our mission work. Church, in all its forms, is a means to our individual and communal transformation.



Episcopalians serve homeless men and women through our Lord of the Streets ministry in midtown Houston. Find out more [here](#).



Picture was taken by former Camp Allen Senior Staffer Cameron Spoor, now serving as a missionary in South Africa. Check out Cameron’s blog [here](#).

We recognize that the organization’s primary purpose of existing is the glorification of God through the transformation of individual life. We know that the most central theme of our mission work is the changing of our lives first and for those people in our care.

Always and everywhere we as Episcopalians in the Diocese of Texas see that the beating heart of this work is the love of God in Christ Jesus. As Archbishop William Temple once claimed, and as was adopted by our General Convention in 1973 as the definition of evangelism: We are about the work of presenting "Jesus Christ, in the power of the Holy Spirit, in such ways that persons may be led to him as Savior, and follow him as Lord within

the fellowship of his Church.” We know in the Diocese of Texas that we are about this work of presenting and proclaiming the transformative power of Jesus to others, that they may be drawn into Christian community, and specifically into the Christian community of the Episcopal Church. Transformation for us is unique and particularly focused.



Conversion a Youth Conference of the Diocese of Texas hosted by St. Martins, Houston offers a vision of an Episcopal Youth community larger than any one parish.

This notion of our unique voice within God’s mission led me to write the book *Unabashedly Episcopalian*, published in 2012, which after only three months is already in its second printing. It is being used for discipleship classes, confirmation classes, and in book studies around the diocese. Copies have even made their way to South Africa where one of our young adults is doing mission work.

Because we are completely committed to this work we are at work in the lives of every community where an Episcopal Church is present. We are committed to the transformation of people’s lives in our churches AND in our neighborhood communities locally and abroad!

The Episcopal Diocese of Texas is changing the world around us in concert with Christ’s resurrection work. We understand our responsibility to be the geographical boundaries of the diocese first, then Texas, then the world around us. We understand the lives of the people in our churches and in our communities; in fact the world must be a better place tomorrow because there are Episcopalians in it today. We make better the lives we touch.

In 2010 after listening and planning we recognized that in the Diocese of Texas we will know we are making headway on evangelism and God’s mission when we see that our common life is marked and characterized by:

- ❖ Thriving biblical study and theological reflection
 - We will see this in the daily life of the laity and clergy alike
- ❖ Work which changes people’s lives by sharing the life changing narrative of Jesus Christ
 - We will experience this as communities realize their missionary potential given the individual missionary context
 - We will experience a sense of fulfillment where in leaders, clergy, and laity realize the potential of their missionary calling



The Diocese of Texas has provided over 22,500 nets. Our goal was a net for each household in the diocese. In 2013 we aim to meet our goal by donating 5,200 more. Donate at [Nets for Life](#).

- ❖ Health and growth
 - We will grow and plant new churches – congregationally driven startups
 - We will grow and plant new mission initiatives and find new ways to serve the community
- ❖ Financial Health
 - Sustainable mission
 - Entrepreneurial investment
 - Strategic evangelism/mission-oriented spending
- ❖ Reflecting the world around us
 - The people in our pews will resemble our Texas demographic reality

In 2010 the Diocese, through common prayer and discernment, also highlighted the elements by which these characteristics will be accomplished. We should look at 2012 through the eyes of certain mile markers which we have given ourselves: evangelism, growth, diversity, green fields, community impact, and stewardship.

Evangelism

We will know we are making progress when evangelism (the proclamation of the good news of salvation and the unique story of Jesus Christ) and caring for others become the hallmarks of the Episcopal Diocese of Texas.



Members of Episcopal Churches all over Houston joined in a one night event called Sharing Faith Dinners. The Date for 2013 is May 16. Find out more [here](#).

As you may remember in 2011 we held an evangelism conference at Camp Allen. Clergy and laity from the diocese gathered to pray and worship, to study scripture, and to learn new tools for the practice of evangelism. Some 168 people came away from the conference energized and eager to do evangelism in their own lives and considering how they might encourage their fellow Episcopalians to do the same work.

This was followed by an innovative creation we called a *Sharing Faiths Dinner* in 2012. Over 1,000 people across the Diocese of Texas came together to share the story of

their faith over meal and with prayer. We are doing it again on May 16th, and the Diocese of Texas will be joined by several other dioceses across the country.

Growth

We will know we are making progress when we see more people connecting to Jesus Christ through our churches. We do believe that the average Sunday attendance will increase in the Diocese of Texas and baptisms, confirmations, and receptions will increase as we do our evangelism work. But it will be the people's stories about how their lives were truly transformed by God in Christ through the Holy Spirit working through the Episcopal Church's evangelism efforts that will matter most of all. Where are we seeing progress on this mile marker?

In 2011 the Diocese of Texas grew. We grew in confirmations, adult baptisms, membership, and in our Diocesan Average Sunday Attendance (ASA). [According to an Episcopal News Service article we were one of 27 dioceses in the Episcopal Church that showed growth.](#) However, growth is measured though in repetition; therefore we will have to see what takes place in the statistics delivered at year's end in 2012.

However, we are expectant and hopeful. Our newcomer ministry program has been successfully transforming our ministry of hospitality in every congregation that participates. This is a renewal of ministry centered on the idea that "The Episcopal Church Welcomes You." This is a brand, a promise, and the very minimum of Christian



Clergy and Laity gather for Newcomer Training in one of the many regional gatherings.

hospitality which dates a back to the earliest Christian community. I believe it is difficult to do anything else if the foundation of Christian hospitality is not the exemplar of our time together on Sunday morning. The program is adaptable but has several very important key elements which chart the course for excellent hospitality where Christians truly welcome individuals onto the campus and into worship in our congregations. [You can read more about the program here.](#) We have supported the success of this ministry by offering grants through the Episcopal Foundation of Texas and The Quin Foundation. What are the results?

A program congregation in Houston which only a few years ago was struggling to maintain their budget and facility began the program in January of 2012. This congregation reports 142 new members, which is 41 new households. Two resource congregations (one progressive and one conservative) reports over 182 new members, which represent 65 new households in the same time period. A small transitional-size congregation in a small town 45 minutes from the center of Houston reports 60 new members (25 households) since January 2012. We will be receiving reports at the end of the year on other congregational efforts to undertake this work. Small and large the picture is clear. If we are serious about being a welcoming church then hospitality is essential.

Of course this strategic ministry is only part of being committed to loving the people who come through our doors and being willing to listen to their story. It must be matched by reinvigorated preaching, committed pastoral care that really connects with people, and fellowship where people can be involved and included. Most of all, it only works where, as one Lay Minister for Newcomers put it, "hospitality is a core value."

We will be reporting our 2012 confirmation and baptism numbers in the second volume of the *Journal*. However, as we say we are not only interested in numbers. We believe growth will be evident in personal stories of transformation. I want to encourage you to pause and go to see these stories that we reported this year through our social media stream and on our website. Here is a list of stories that illustrate the transformative growth of individuals and their ministries:

[Ecumenical Partnership Works on Building Youth Relationships](#)

[Tree of Gratitude Captures Artist Vision and Congregation's response](#)

[60 years of Amazing Grace](#)

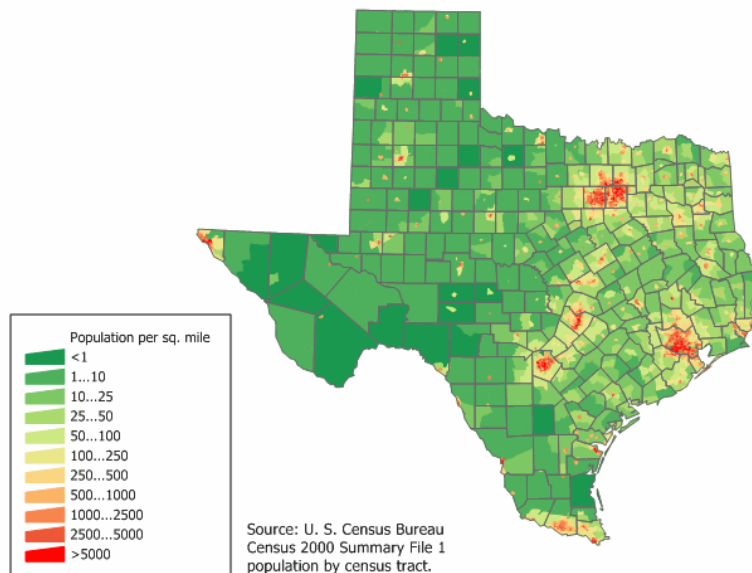
[Congregation Members Decided to do something about Sex Trafficking](#)

[Congregation Gets Out On Halloween](#)

[A Mission Trip to Arizona Changes More Lives](#)

[Dancing For God](#)

From mission to ministry, from congregational efforts to individual efforts, the Episcopal Church in the Diocese of Texas has a story to tell. And, we are listening to the stories of our neighbors and we are seeking to improve the communities around us. As bishop I see a surge in creative energy revealing the wonderful and good evangelism and mission that the parishioners of this diocese do every day.



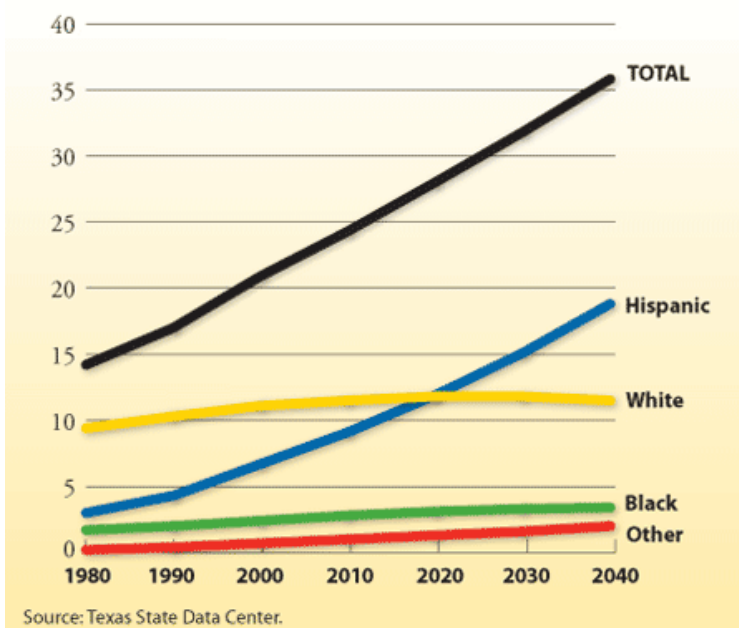
[Population centers show major population densities lying within the Diocese of Texas geographical boundaries.](#)

The map shows the surge in growth in population in the Diocese of Texas. The highest growth areas today lie within the Diocese of Texas. Only continued creative focus and energy in evangelism will keep up with the future population now making its way to Texas. Not since the first years of the Republic of Texas have the prospects for our Diocese looked so promising. It will take the same evangelical and missionary spirit to do the work God has given us to do in this diocese. We are just now beginning to plant the seeds for this growth and it will be exciting to see the harvest.

Diversity

In 2010 we said that we would know we are making progress when the median age of the membership of our church decreases and our leadership (clergy and laity) is younger and more diverse ethnically – to reflecting our mission context. We will also know we are making strides towards our goals when we can see and testify that our mission is broad enough to disciple and form people of every language, ethnicity, and age. We have felt that there are several key and essential ingredients to this mile marker. The first is to have clergy in congregations that reflect our particular missionary context in Texas. The second is to engage in conversations which help our existing congregations be aware of the multi-cultural ministry potential; as well as the inter-cultural nature of parish ministry. We feel as though we need to take advantage of changing demographic trends in shifting neighborhoods in order to be successful evangelists.

Regarding clergy serving in the Diocese of Texas we have done well with our age. Today we have a clergy mix that is more diverse in age. In 2003 we had less than 7% of our active clergy under the age of 40; today 18% are under 40; bringing our total for those under 50 to 41%. 31% of our active clergy are women which is an increase from 18% in 2003. The ethnic diversity of our clergy has grown by 1% in the last four years. However, that means only 4% of clergy active in the diocese would claim a different ethnicity or national background. While we may be proud of moving our median age towards the target median age of our broader context in the diocese we are not changing the ethnic diversity of our leadership at the same rate. Diverse leadership is an essential key to diverse and thriving multi-cultural congregations. We have a long way to go on this front and it will take parish leadership and diocesan leadership to help us hit this goal. As we know from the recent census data the Diocese of Texas looks something like the graph. A transformation of our culture will be required to achieve these metrics. This will only come with discernment and prayer.



[We have a long way to go in order for our leadership to reflect the growing diversity we find in Texas.](#)

[A very good September Episcopalian Dialog Magazine](#) was published this year on this very topic. The cover page typo which drove many readers to an article they thought was titled “Demongraphics” turned out to be about demographics; and informed many

about the change occurring in the lifetime of our ministry. This magazine illustrated both the changing nature of the state within which we live and offered a vision for how we are called to be at work inviting and welcoming a great diversity of individuals into our congregations.

We know in the Diocese of Texas that clergy leadership is not the only way to achieve these goals. We understand and we believe that it is incumbent on your Diocesan Office to provide various multi-, inter-, and cross-cultural resources to congregations, communities, and other groups. Multiculturalism is the appreciation, acceptance, and promotion of multiple cultures. Evangelism and mission requires an intercultural competence. Intercultural competence refers to the ability to successfully communicate with people outside our own culture. This is an essential tool for growth. Therefore, we are working as a diocesan family to learn more about how to be better hosts and better communicators across these varieties of multicultural experiences. We want to do more than value other people's culture, we want to communicate, invite, and make a home for a diversity of God's people; those now living in the diocese of Texas and those who have not yet arrived.

To this end, your staff member Denise Trevino has personally met with over 100 people ranging from clergy, to lay, a variety of board members and teachers to learn about their cross-cultural challenges, needs, and desires for their communities. Our goal in 2012



Clergy Conference 2012. In 2003 fewer than 7% of our clergy were under 50; today 41% are under 50.

has been to reassess or confirm that what we currently offer is still needed and effective, as well as to begin imagining and visioning what the Diocese might look like 10–20 years down the road from a cross-cultural perspective?

To this end we will continue to do Fertile Ground Workshops. We aim to give clergy, vestry, laity, and others more effective tools to become more culturally competent leaders. In the last 10 months over 250 people have been trained. Denise is currently training two additional trainers (who will be ready in early 2013) which will allow us to better meet the demands for this workshop. Training youth

and young adult leaders in cultural competency has been identified as one of the key missing pieces to meeting this mark of ministry. A separate workshop will be offered to these leaders and teachers in 2013 to train local trainers.

We are also undertaking a variety of other tasks to help disseminate and continue to offer new and updated materials to those interested.

- ❖ In May of 2012 we hosted an “Emerging Conversations in a Multicultural World” workshop at Palmer, Houston. Over 90 people attended the workshop conducted by the Rev. Eric Law. It was a huge success.
- ❖ Translations: various Episcopal Church materials either have been or are in the process of being translated in Spanish to make available on the Diocesan website

in 2013. Most of these items are things that are not available from Church Publishing or the national Church office.

- ❖ And in 2013 an Intercultural Youth Retreat is being planned. We will begin working with our youth to give them the skills they will need to be culturally competent – this is a clear example of where Matt and Denise’s work will align. The retreat is specifically designed for youth between the ages of 14–16 that represent a wide range of diversity in the Diocese. The retreat has been carefully planned to offer them a respectful space to learn about one another’s cultures and to begin forming more authentic cross-cultural experiences and friendships within a church context. The plan is to also have these same youth invite 1–2 people more to attend in 2014, and so on and so on, building on our youth numbers as they grow into young adults.

Ongoing training will be an essential ingredient to preparing to be missionaries in a diverse community. We have also made a decision to review the changing demographics in areas during the transition from rector to rector and to help congregations call individuals with special skills, language, or background that may make them an effective leader in a quickly changing environment. We have never done this before. Nevertheless several transitions in 2012 have offered opportunities for congregations to renew their evangelism work and jumpstart their efforts.



St. Mark’s Between the Bayous has been meeting for over two years now.

Greenfield Evangelism

Progress in the area of Greenfield evangelism means existing congregations take the initiative for planting new congregations and communities. We will know we are making progress when across the Diocese there are many new communities (fellowships, missions, parishes) annually. We will know when our congregations and the Diocese, where appropriate, willingly fund and support emerging and new initiatives. We will know we are making progress when we see our congregations throughout the diocese reaching out each year with new ways to improve the lives of their neighbors -- in body, mind, and spirit.



The Front Porch, Austin, began worship in 2012.

This has been an exciting year in the area of Greenfield evangelism. A year ago St. Mark’s Church, Bellaire, started a new emerging church plant called [Between the Bayous](#) off of Washington Ave; and we had a few Bible studies meeting in pubs. This year All Saints in Austin is sponsoring The [Front Porch](#) which is an emerging Community in Austin, and the Seminary of the Southwest has sponsored a small but growing house church in Austin

called [St. Basil's](#). We have also seen congregations begin Bible studies in the local coffee shop and in homes. This year the Greenfield Commission will begin to publish and make available resources to aid leaders in the planting of new groups and communities that meet outside of the church. Furthermore, the diocesan staff has been in conversation with 8 different congregations to dream about starting a new mother/daughter or second campus style congregation. The conversation with one congregation is now in the development stage for south Houston. It will be exciting to report back on this in 2013.



[St. Basil's is an Episcopal house church community in Austin.](#)

Last year I reported on how the three financial institutions of the diocese (Episcopal Foundation of Texas - EFT, Quin Foundation, and Church Corporation) were aligning themselves for new ministry. Today this work has spawned the growth in Strategic Mission Grants around newcomer ministry and restarting congregations. In 2013 we will be looking for partners to begin to seed more Greenfield opportunities. However, one of the key stumbling blocks is discovering where we need to start congregations, and the second stumbling block is a strategy that gets a new congregation on the ground quickly. To that end we have appointed a quick-moving task force to analyze immediate church planting areas so that the Strategic Mission Grant team, made up of members of EFT and Quin Foundation, may begin to work collaboratively with congregations to begin new work. We have found that these are multi-year conversations. In 2013 the task force will evolve into a collaborative working group that will begin to work with the financial foundations to buy property for future congregations.

This is all very exciting, but we still have a problem with getting a new congregation started. It takes too long. In the secular world property is purchased, a building is put on the property while a management team is already being trained. Speed is essential



[Today St. Julian's is located in the midst of its mission field in Northwest Austin.](#)

in the corporate world, and we need to understand this business thinking and tighten up our delivery of a new church on the right property, with the right team as fast as possible. Doing so brings down the overall cost of new development. In the 1980s and 1990s we thought big; and we could afford to do so. Today we need to think big and we need to be good stewards and not waste time or money, rather we need to aim at efficiency. So, we are seeding on the greenfield conversations, we are aligning financial resources to partner with congregations to plant new worship sites, and we are developing a realty group to

help target geographical regions with the most possibility. So we get the region, we get the partnerships, we get the new team ready, and we finance them...but we have not solved the reality of placing a congregation on their land quickly. Without a new model of thinking we would still have to wait until a congregation was large enough to afford a piece of property. Then they would still be burdened by debt.

Today, thanks to the work of the finance office, we have two models. The first model Bob Biehl shared with me as we drove around the diocese while I was Canon to the Ordinary. He and I believed we had to solve this issue of time, property cost, and congregational debt. His idea was to do targeted lease development. Without paying for the dirt, a congregation could get into the right area, own a piece of property, develop it out, and begin to worship quickly. We saw an opening in 2012 and we moved St. Julian's, Austin, into a new worship space. They are where they want to be in their mission field, they are building equity, and they have designated space. It still took us too long, but we are ready to replicate the model in 2013 as soon as we have a new congregation ready for launch.

The second idea was floated while I was working with Joel Shannon early on in my time at the diocese in 2003. He believed we needed to get on the property quickly and we needed to have a standard type building. In thinking over the years about the project I refined my thinking a little. I found that we needed something that looks like a church.



New Church Concept for Church Plants.

People looking for the Episcopal Church want to worship in something that looks like a church; very few people want to worship in cafeterias, schools, or funeral homes. (Though we have begun congregations in each; including a bait shop!) So, the building needs to look like a church. Second it needs to be standard: standard windows, doors, toilets, etc. No specialty requests. That gets expensive quickly. Three: It needs to be moveable. Over the years I have found that we don't always have the congregation

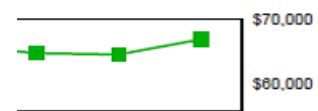
in the right place, and sometimes when it is the right place it isn't built on the right place on the property. Fourth, the building needs to be pretty and it needs to last. Fifth, it needs to seat at least 160 people and have space for greeting, vesting, and altar guild. Lastly, the project (with HVAC) needs to come in at a million dollars. That would be a 2.5 million dollar savings from everything else we have built recently!

Thanks to Bob Biehl and David Fisher we found Logic Tabola. Logic is an architect, and we have known him for a long time. He has done some work that I like and thought was beautiful. Logic did his homework. He talked with house movers and he studied the oldest missionary churches. Christ Church in Matagorda, our mother Church was one of the ones he studied. He met with me a few months after the project was begun and offered me a design that met all of the criteria! Praise God. I have never hugged an architect before but I did that day. Not only that, but his design, with HVAC, came in at \$400,000; less than half the cost of the original dream I imagined. We took it to Church Corporation immediately and they paid for the engineering and drawings. In 2013 we will have the final piece of the puzzle finished for our new strategic church planting initiative. A Church building that represents the Episcopal Church well and can get us on the property six months after we purchase. This places the missioner on property, in the mission field, in an Episcopal Church building with its doors open for worship almost five years sooner than we have been able to accomplish in the last three decades. We believe with the money and partnerships we could build 10 of these right now; some on property where existing congregations literally have outgrown their space.

All that is left is for us to begin to raise the dollars to further develop these new congregations. As the population in the Diocese of Texas is expected to continue to grow over the next two decades, we have an opportunity to embrace the challenges of our mission field. We have an opportunity to see that the master gardener is already seeding the fields for the harvest. It is our responsibility in our age to raise the banner high, to raise up missionaries, to fund their work, and to plant new congregations. It is clear to me that we could successfully begin 20 new congregations, communities, and fellowships in the next five years if we had the dollars to embrace the work. To meet this missionary challenge, I believe we are ready and our granting process and leadership models will get us going. However, in order to leap into this new era of mission we are going to need a foundation with a minimum of 50 million dollars devoted to church planting; only then can we begin to meet the opportunity that God has given us. I believe if we continue to be faithful, set our course with clarity, are deliberate in discernment and prayer, then we will also begin to understand how our stewardship is to lead us into this new missionary era.

Stewardship

We will know we are making progress when all our organizations are involved in healthy stewardship for the mission of Christ and his kingdom. We will know when we have an intentional diocesan-wide planned giving ministry focused on helping the local congregation or ministry reach its long-term visionary goals. In 2012 the diocese saw the first local stewardship conference. It was held by Emmanuel, Houston. It had as many people as the last decade of conferences reported in annual attendance. It saw teams from all over the southern portion of the diocese attend. It was led by the laity, and the diocesan staff supported them and helped



This is the data from the last three years of our stewardship. Our average pledge has increased from \$3,525 to \$3,679. Stewardship is expected to trend above 70 million dollars in 2012.

with some of the cost. It was a great success. We are hoping to do more of these in the future; many teams from the Galveston and Southeastern Convocations were interested in hosting their own conference. We hope 2013 will see more of these spread to Austin, the Northwest, and the Northeast. The diocesan staff is ready to help plan and organize these conferences. I am personally grateful to the lay leadership at Emmanuel who got our first one off the ground and showed us how to do it well!

Stewardship is an essential ingredient to the health and wellbeing of the diocese, and those dollars that we see increasing have to stay at the congregational level. That is why this year we will again see an almost flat increase in your diocesan budget. Our management of the health insurance also has meant that we have outperformed the rest of the country in rising insurance costs. Our cost increases have been minimal compared to the 17 and 18 percent increases we are seeing elsewhere. This is good



El Buen received a grant from LCRA to go off the grid with sun panels. El Buen has a history of building community collaboration between foundations like EFT, the Austin Churches, and local community donors.

news because keeping as much money at the local level increases dollars that can be spent on evangelism and mission. Along with exceptional budgetary management by your diocesan staff and the finance committee, we also must see that the stewardship of the foundations (EFT, Quin, and Church Corp) also is directed well at supporting local congregational efforts. So our strategic plan envisions that we will know we are making progress when the work of the foundations of the Diocese is clearly and strategically focused on the Diocesan mission. EFT is clearly targeted at funding our institutions: El Buen, St. Vincent's, Camp Allen, St. James' House,

and the Seminary of the Southwest. EFT is also a partner in the Strategic Mission Grants along with Quin. Quin is working to restart congregations, purchase new properties, and build new churches. And, Church Corp is putting its resources together towards planned giving. We believe we will know we are making progress when we have foundation funds dedicated to church leadership, church planting, and health. In 2009 we launched the Wimberly Leadership Fund which today we use to fund leadership training opportunities. In 2012, the Great Commission Fund, which today is growing thanks to generous benefactors. So two out of the three are being built and are growing in order to fund tomorrow's leaders and church planters.

Ultimately these funds and our growth in stewardship will lead to the birth of more churches, emerging communities, schools, clinics, outreach ministries, and community centers focused on the health and wellbeing of our neighborhoods. In order to accomplish this work we will need not only strong stewardship at the congregational level but we will need a planned giving ministry that helps every congregation provide for its future ministry. The Church Corp has spent 2012 studying the best practices of this program, and in 2013 a team of leaders is being selected to work on a regional plan of coaching that will bring the very best expertise in estate planning to the

congregational level. Our goal at Church Corp and at your diocesan office is to provide the very best resources to your community so they can help participate in providing healthy congregations as the future lights for those who find themselves in dark times. For more information on this program contact [David Fisher](#) at EDOT Financial Services; part of the Houston office.

The Basics

There are basic ingredients that are needed to reach each of these goals. If we are to become the diocese intended by God, where our ministry transforms and restores, where we exhibit exceptional stewardship, where excellence is the quality of our mission, then there are three essential pillars to our ministry in the Diocese of Texas. The three pillars are formation, leadership, and connection.

Formation

We form people to know their vocation and to act out of a centered Anglican perspective which is uniquely and unabashedly Episcopalian. We form people who know and understand God as Trinity. We form people who know and practice a healthy spiritual life. We form people who invite, welcome, and build community. We form people who care about the world in which they live and are integrated into the life of their community. We form people who make a difference. Since the recreation of the office of Formation in Houston, our team has been on the road and improving our field presence and teaching/coaching load in order to achieve these goals.

Regarding our formation work dedicated to Youth & Families, we have seen growth in numbers, depth of relationship, and a growth in opportunities. Here are a few of the highlights:

- ❖ Missionpalooza: This year's annual diocesan youth mission trip included seventeen congregations and 170 participants. The group served the Bastrop county residents who suffered loss from the 2011 fires.
- ❖ CLC (Christian Leadership Conference) was revamped in 2012 as "Convergence" – 70 participants (cancelled in 2011).
- ❖ Youth events and retreats – the age ranges for the Youth Encounter Spirit (Y.E.S.) and Happening retreats changed to include 6th–8th grade and 9th–12th grade youth respectively. We are also rewriting some of the material. All of the youth programs have seen growth in participation as well as involvement over a wide range of congregations. Every event in 2012 had full participation.



Missionpalooza team went to Bastrop to rebuild homes.

- ❖ College retreat: 45 participants (this is Vocare revamped). In 2011 we almost cancelled the program.
- ❖ Youth ministry development: This is our first focused attempt to help churches build sustainable youth ministries where they are. Our goal is to provide congregations with the necessary support to establish and build successful, sustainable youth ministries. The support provided includes youth ministry assessments, coaching, mentorship, training, and continuing education and involves the rector, the developer, the youth minister, the vestry/youth commission, the youth, parents, and even brings in root group leaders/coaches.

Regarding Formation conferences and support, I can say that Jamie Martin-Currie has done a phenomenal job serving as the primary conference coordinator for our team. *Forming Disciples Conference* in March had over 150 participants. *Forming Disciples Road Conference* in September (Austin and Houston) had over 100 participants. Jamie also does amazing work equipping our Directors of Religious Education, working with rectors, and connecting parishes with the resources they need. When we hired her, she was a consultant for the national church and still has a strong national presence. A lot of churches call needing resources, and Jamie does an excellent job in connecting callers to resources, brainstorming ideas, and networking them with others who are involved in the ministry of Formation.

The strategic plan is working in the area of Formation as it guides for improved networking. As an example we can take a sampling of the “Town Hall Goals” that were set in 2008. Today we see we are making headway.



YES: Youth Encounter Spirit

1. Develop a clear definition of “multi-cultural”: We have intentionally changed how we define our work from multicultural to “intercultural development.” Multiculturalism is the appreciation, acceptance, and promotion of multiple cultures. Intercultural competence refers to the ability to successfully communicate with people outside our own culture.

2. Provide resources for churches that are transitioning from primarily Anglo to Hispanic: Denise has spent the last year working on a new workshop and materials that will be available to churches by spring 2013 on how to start Hispanic ministry. The workshop teaches the differences in how to minister to recent immigrants, and 2nd, 3rd, 4th generation Hispanic and Latinos.

3. Provide educational opportunities that facilitate understanding between different cultures: We have tripled the amount of The Fertile Ground workshops and have trained two others to begin teaching workshop in 2013.

4. Train more youth in leadership skills through Diocesan programs (retreats, CLC & Council): We have completely revamped CLC into Convergence where youth have leadership roles. Also, more youth are filtering through Happening and YES equipped to lead other youth. Convergence, Happening, and YES all include staff leadership training prior to the weekend.

5. Revamp Vocare to serve as an effective discernment retreat for college students: We completely revamped Vocare into the “College Retreat” where we had 50 college students from across the diocese present.

The achievement in this pillar is outstanding and they have accomplished so much that I have asked Canon Newton to review the town hall meeting notes and update their goals for 2013 and 2014. We must continue to challenge ourselves and ask: How do we encourage forming disciples at the diocesan level? What is the place of conferences, vision-casting, individual meetings, web communication, curricula, commissions, convocational groups, preaching in churches, new initiatives, trainings, etc. in this work? These are all seeds. Are we sowing the right ones? Are we missing areas? Are we sowing broad enough and with enough intention?

In the end our solid focus upon formation is strengthening our congregations to do this work. The fact that the formation team is constantly on the road means that we no longer have island-like congregations but we have a web and network of resourced parishes across the Diocese.

Leadership

Leadership is the second pillar and ingredient to our overall achievement of ministry goals. We form people to understand their unique leadership vocation within God’s creation. We form leaders who are Clergy and who are laity and we do this not by forcing them into a mold we have created but by helping them reach their God-given leadership potential.

We help to form leaders who can:

- ❖ Identify the adaptive challenge and to see a creative opportunity.
- ❖ Keep the level of change within a tolerable range for doing transformative work.
- ❖ Focus attention on ripening issues and not on anxiety or stress, reducing distractions.
- ❖ Give the work to people – we are a community of the baptized; but at a rate where they can participate and be successful
- ❖ Protect the healthy voices of leadership



We help God to form leaders to make a difference in God's world for God's people, in their congregation and in their community. Certainly we can see that we are doing this in any variety of ways. In our newcomer work, in our Iona initiative (reported on by Bishop Harrison), stewardship, and the work we are doing in evangelism. Here though I want to specifically talk about the work we are doing with the clergy and vestry leadership of the diocese.

In 2012 we continued to grow our clergy groups who have common interests and contextual challenges: church planting, restart, and Hispanic ministry. We have worked not so much as conveners but we are trying to take the role of collaborator and coach. We are allowing our agendas to take second seat while encouraging the voices of these leaders to open up new conversations and challenge us to greater common learning. The support of these new leaders for one another has been outstanding, and I am excited as in 2013 we will begin to expand these groups as we fine tune their work.

In 2012 we have also begun to work on the next generation of Vestry/Warden conferences. The success of the local stewardship conference has inspired us to rethink this model and begin to look towards conferences whose topics will be set by the local leadership. These will maintain their focus on best practices to help the leadership of the congregations develop a strong cadre of leaders to work with the clergy and congregation on emerging challenges and goal achievement.

The primary hallmark of 2012 in the evangelism and leadership area of our common work is definitely in congregational visitations. In 2012 we reoriented staff time to focus on being in the congregations, working with leaders, getting on the phone and checking in. This new focus on visitation, coaching, and support means that Mary MacGregor and Bob Schorr have marked a year which will see over 100 congregational touches and countless hours of road and phone time, as each of them has made themselves more available to help clergy and laity at the grass root level. I believe we will see an even greater shift as we continue to build internal congregational leadership through innovative, local, and personalized coaching.

Connection

Our communications strategy continues to set the bar high. We have worked to network and connect congregations and the wider church. [Carol Barnwell](#), LaShane

Eaglin, and Luke Blount continue to work with congregations, clergy, and laity to set up local strategic communications.

- ❖ They have gone onsite to help large and small congregations understand the changing nature of social networking.
- ❖ When they have discovered new resources, they have reported them, so that the whole diocese can participate in shared wisdom.
- ❖ They have networked local stories sharing ministries that work with all the congregations of the diocese.
- ❖ Their networking has allowed us to work with those in need, and cheer and celebrate with those who have worked hard and accomplished much.
- ❖ They have produced videos and presentations for ministries and more importantly have helped to coach local parish communication teams in the art of navigating a new electronic age.



Our communication office has worked to train leaders to be communicators. Find an article on how to share what is going on in your congregation through [facebook advertising here.](#)

I have highlighted a few of the excellent pieces that they have done already. They have made it easy to get regular news. All you have to do to receive a weekly newsletter is click [here](#). You can check out the overall communication page by clicking [here](#). It includes parish, diocesan, church-wide and international news stories in both video and in written formats. I would like to highlight for you a few pieces that are of particular importance in illustrating the communication of excellence in media skills. Here are a few excellent stories, just click on the link:

[William Temple Envisions New Ministry With A Move](#)

[Loving Your Neighbor Makes Headlines](#)

[Small Local Church Invite Local Outreach to Join Hands](#)

[Two Youth Groups Learn About Black History](#)

[A Love For A Parent Leads To Ministry](#)

Your communication office also has been updating us on how to do our work better, with more efficiency, and with an eye to creating more readership across all media networks. Their media room helps you find the resources you need for news, stories, and websites. Check out the following links: [audio & video](#), [bios & photos](#), [photo galleries](#), [image shop](#), and [press releases](#). Further help can be found on the communications blog [here](#). It has articles on style guides, tips on shooting video, web conferencing rules to live by, and Gmail and Google tips. This office is doing a great job at connecting us.

Further to this point is the fact that the other offices (finance to formation) are all beginning to use the services as well. This means that the whole diocese is beginning to move towards the goal of being an interconnected body where communication and news travels fast and thoroughly through the organization.

A lot of work has also been done on our internal computer systems. I reported last year that we would be undertaking the next phase of our document and information data bases. We have almost fully completed the SRS project, where we are streamlining the Safeguarding document and maintenance. The SRS goal is to make the Safeguarding process easier for our parishes while ensuring the integrity of our records and process. The second project which is linked is the DORIS project. The Doris project will help us to better track our communication network and addresses. With Doris we are creating a resource for the Diocese to use in expanding their use of electronic communication. It is also a major improvement that we are moving towards one common database for the whole Diocesan Office. When I began work in the Diocese of Texas in 2003 we had over 18 separate databases. In 2012 we have finally made it to one. We would not have gotten here with either SRS or DORIS without Cecilia Smith and Shirley Platt. They have done an excellent job!

St. Luke's Episcopal Health System

The Diocese of Texas is privileged to have St. Luke's Episcopal Health System as part of its missionary institutions. St. Luke's Episcopal Hospital is one of the U.S. News and World Report's best hospitals in America, and today it has ten specialties that rank in the very best across the U.S. It has launched the St. Luke's Health Charities which has in a very short time given away more than 80 million dollars, most to Episcopal Diocese of Texas institutions. Bishop Harrison has been the Chair of the Board over the last few years and this has allowed me to get to know the organization and act as the Chair of the Charities Board. I have served on the Board of St. Luke's Episcopal Hospital at the Texas Medical Center and have been on the Joint Conference Committee.

In these roles and as I have met regularly with Bishop Harrison and Chester Jones, the Executive Chair, it has become clear to me that there is an incredible amount of change the System faces as we try to adapt to external pressures, both in the midst of health care reform (which has been developing over the last decade) and the local competitive market. Furthermore, it has become clear there is a need for scale and collaboration.



Nurse Exchange Program Members at St. Luke's, Medical Center.

In the fall a Houston Chronicle article appeared regarding the possible sale of the Hospital. Because of this particular article and other rumors I feel moved to respond in this address.

As background, it became very clear in the early spring of this year that it was time to make a move of some nature. It was time to build a new hospital in the Medical Center. It was time to figure out how we would achieve the quality care matrix needed. It was time to figure out the collaborative and scale questions before us. Every organization of size must do this on a regular basis and the St. Luke's Episcopal Health System is no different. In fact, we have done this at least six times in the last 15 years. I encouraged the System Board to be proactive. A Special Committee was created to begin looking at the situation. While not formally a member of that Committee, I participated fully in terms of listening, asking questions, and meeting regularly with the Chair of the Committee, Bob Blakely, and key individuals involved in its work. At every point, Bishop Harrison and I have been on the same page.

My job has always been and continues to be that of a moral and ethical voice at the table to ask "are we taking proper care of our patients?" and "are we taking care of the people that do this work?" That's the proof of our Faithful, Loving Care. I do feel that we have a responsibility to our "family," which includes the individuals that manage and staff St. Luke's as part of our ministry. At the same time I am responsible, ultimately, for ensuring that God's mission and God's Church is doing the work it needs to be doing. I recognize that this process has an impact on each of you in the congregations I represent as it does for the doctors, nurses, administration, and service men and women who work so hard on our behalf and on behalf of God's mission that we oversee.

Throughout the process we have constantly asked ourselves when the right time is to bring different stakeholders into the conversation. The Diocese of Texas is part of that stakeholder conversation to be sure. Regardless of what the future may look like for St. Luke's, we have to be faithful to our mission. And, I promise you that the very best board members have been recruited and appointed over the years. These are some of the finest men and women I know. I am working with them as is Bishop Harrison who is doing an excellent job. As we evaluate the way forward I will most likely invite others in the Diocese to help me ensure adequate representation in decisions. The Episcopal Diocese of Texas remains dedicated to the ministry of health and healing and views the current Committee work, chaired by Leonard Tallerine, as an introspective evaluation and discernment process of how we can best fulfill that ministry.



Bishop and Mrs. Fisher join their sons for a standing ovation celebrating his new ministry as Bishop Suffragan of Texas.

There are rumors afloat all around us. No matter who you may speak with who professes definitive knowledge with respect to this discernment process, I can tell you that no decisions are yet made and no narrowing of choices has occurred regarding St.

Luke's. This evaluation process could conclude that the independent course is still best for the Diocese and its people. It could conclude that a sale, merger, or joint venture is the best course. I am working with Bishop Harrison and the Board to ensure a strong vision for Health Ministry well into the future. I believe that the Episcopal Diocese of Texas has great confidence in the leadership and managerial abilities of the board, of David Fine and his executive team, and of the leadership of the System. I also know we have a commitment from every level of the organization to keep the many and diverse aspects of the System's clinical and business operations functioning successfully, notwithstanding the added complexity resulting from uncertainty. The Diocese should be proud of the System and her leadership. They have and continue to represent us well. As decisions are made, I can assure you that I will keep the Council fully informed.

Looking Back

As I look back, I pause and realize that together we have already done a great amount of work in the diocese. It is hard to believe that we begin together our fifth year! We have accomplished a lot.



Bishop Harrison with our new friend Bishop Griselda, Bishop Diocesan of Cuba.

1. Further developed sound financial structures
 - A. Clean audits
 - B. No use of our line of credit in three years
 - C. Decrease in foundation funding for diocesan budget
 - D. Lean diocesan budget – having managed the economic downturn and now are reshaping for our budget for future congregational and mission growth.
 - E. A budget that is beginning to be strategically formed
 - F. A missionary asking which gives congregations credit for local missionary dollars spent
2. Strong multicultural and diverse development strategies
3. Strong leadership recruitment among the laity and clergy alike
4. Increased lay participation throughout the varying processes of church leadership
5. Increased participation and shared Episcopal leadership of the institutions of the diocese
6. A stronger and healthier regional ministry by the bishops
7. A strategic plan with accountable metrics and goals
8. A staff that is reorienting around common goals
 - A. More hands on work
 - B. More visitations into congregations
9. Launched the Greenfield Commission to support creative church plants
10. Began funding of the Great Commission Fund – to start churches

11. A visitation schedule supportive of growing congregations, and which gets bishops to all the congregations on a regular basis
12. We are managing major transitions in the diocesan staff and in committee leadership roles smoothly
13. Healthy relationships with Primates/Bishops and Dioceses/Provinces of the Anglican Communion
14. Healthy relationships with The Episcopal Church leadership and House of Bishops
15. Blossoming ecumenical and inter-religious relationships and peer friendships among other judicatory leaders in Texas
16. Growth in global missionary partnerships
17. A strategic communication plan for evangelism, mission, and networking the diocese
18. Recasting the role of bishop diocesan as chief
 - A. Preacher
 - B. Teacher
 - C. Communicator
19. Brought together a diverse group of leaders to build unity around mission instead of division
20. A successful bishop suffragan election

Looking Forward

What will be the primary goals of my Episcopal leadership in 2013? There are numerous pieces to this but they are worth a brief look here.

1. I want to challenge the people of the diocese to increasing Biblical engagement by clergy and laity and to commit with me to reading the [Bible in a year](#).
2. To see the real estate task force up and running and partially funded to begin its work.
3. To see the *planned giving* initiative launched.
4. To work with emerging leaders to think about the very front line of evangelism: invitation.
5. To see our Formation office has a greater East Texas presence.
6. To see us meet our goal of 27,700 nets for Life.
7. To see the work of deacons include helping laity leave the church and meet their neighbors and to listen and learn about the needs of their neighborhood.



With the Rev. Susan Kennard at the groundbreaking of Trinity Gym given by the Moody family in Galveston. Don't worry; they didn't let us operate heavy machinery!

8. To see the [Episcopal Service Corps](#) officially launched in the Diocese of Texas.
9. To see more congregations and communities launched doubling our efforts.
10. To see the “new rector” ministry come on line; where we coach and help new rectors in their transition.
11. To see the new LOGOS video project launch. This is the TED style video channel we are launching across the country and based in Texas. The videos will be about mission and leadership, best practices, and stories shared to support and inspire ministry.
12. To lead the St. Luke's Health System through this time of discernment.
13. To be of use to the Structure Committee of the Episcopal Church.
14. To hold a successful conference on Formation, Evangelism, and Stewardship – [The Conference](#).
15. To end the 5th year of my Episcopate and our common ministry by looking back at everything we have accomplished, by taking some time to reflect with you in prayer about our future. Then to launch a new “town hall” series where I visit with every region of the diocese to discern the next five years.

There are so many people who make this work happen. I cannot possibly name them all. From Archdeacon Oechsel to Canon Newton, from Bob Biehl to Canon Normand, I feel blessed. We in the Diocese of Texas are truly blessed with a very fine diocesan team. There are many who go unnamed, but who I pray for daily because I am grateful for their partnership. I believe you have given and provided two fine bishops suffragan in Bishop Harrison and Bishop Fisher. I truly love my work with them. As you all know I could not do this work without my own staff, those who help to make the diocese run smoothly. Canon John Logan as secretary serves as a counsel and great aid to me as well. Let me also pause to say that the Bishop Diocesan's office staff—Alice Kerr, Rebecca Sweitzer, and Sara Myers—are very real associates in what I do. Stephanie Taylor most of all is someone upon whom I trust, can count on, and I believe the clergy and parish leaders find to be truly helpful in our communication and scheduling. We may all thank God for this team named and unnamed who join with all the clergy and laity of this diocese to carry out the work of God given to us.

I can imagine no other ministry, no other mission, no other group of people that I would rather serve with. The Diocese of Texas is a blessing in my life and I love her dearly. Your support of me and my family this year as we lost Charles Doyle (my father) and Fred Pearson (JoAnne's father) was nothing less than an outpouring of love for which our whole family is grateful. Working with you is grace indeed. And, I am as excited about our future as I have ever been; if not more so. Indeed there can be nothing better than to go through life with you, good people of the Diocese of Texas, loving God's people, having faith, and clinging to the banner of God and raising it high.

We are off to a great beginning. As I have repeatedly said, “Now we set our face firmly towards the vision God has for us of being a missionary diocese. We cannot measure

our success based upon accomplishments, or numbers. Our success will be measured in the course of time as people look back at us and see people who were willing to pick up the banner of God in Christ Jesus and the Episcopal Church and carry it forward. We will be measured by our own transformation in the process of our pilgrim journey; and by the stories shared by those for whom life was changed by meeting us along the way.”

*Fling out the banner! Let it float
Skyward and seaward, high and wide;
The sun that lights its shining folds,
The cross, on which the Saviour died.*

*Fling out the banner! Let it float
Skyward and seaward, high and wide,
Our glory only in the cross;
Our only hope, the Crucified!*

*Fling out the banner! Wide and high,
Seaward and skyward, let it shine
Nor skill, nor might, nor merit ours;
We conquer only in that sign.*

The Rt. Rev. C. Andrew Doyle
IX Bishop of Texas

ⁱ Trans. Constance Garnett (New York: Macmillan Co, 1912) 170.

ⁱⁱ *Evangelism* is the spreading of the Good News of the Gospel of Salvation through a unique witness to God in Christ Jesus through the work of invitation, hospitality, and discipleship which leads to baptism and confirmation in the Episcopal fellowship of Christ’s One, Holy, Catholic, and Apostolic Church. (Matthew 28:16–20) *Mission* is the spreading of the Gospel of Good News by practicing works of mercy, justice, and love. (Micah 6:8 & Matthew 25:31-46)

ⁱⁱⁱ You may find the paper and resources regarding *Unity and Mission* on our epicenter [website](#). The Unity and Mission document now has a study guide to help individuals and congregations think about the nature of our work of common mission in an era marked by division. Over 17 other dioceses have engaged the work we have done; in fact it has been circulated and used globally. The work of the task force was also recognized in [Time magazine by Jon Meacham](#).

REPORT OF BISHOP HARRISON

It is an ongoing privilege to serve as Bishop Suffragan of the diocese. The highlight of my work continues to be parish visitation and the opportunity to come to know many people around the diocese, especially in the West Region. Your vision about mission and your devotion to supporting and growing it inspire me all the time. Working with Bishop Doyle, Bishop Fisher, the diocesan staff, and the people of the diocese is exciting ministry indeed!

The clergy of the diocese are remarkable people, and working alongside them is a real joy. They work tirelessly and with great skill to inspire vision, provide pastoral support, and reach out to the world on our behalf.

Below you will find comments on my work this year with the various diocesan institutions to which I am assigned. Each of them has a more extensive report in this volume. This was also a General Convention year, and I served on the Church Pension Fund Committee which took up various resolutions regarding pensions and insurance. One important outcome was the provision of additional time for our schools to phase in pension coverage for employees.

In addition to participating in the ministries detailed below, I serve on the steering committee for the Gathering of Leaders (a program which focuses on developing missionary skills in young clergy people around the church who show promise for leadership) and the Disciplinary Board for Bishops (canonically constituted as the recipient of complaints concerning bishops).

El Buen Samaritano

“El Buen” celebrated its 25th year of ministry in the Austin community. It provides integrated services through its clinic, education, behavioral health, early childhood, youth, and wellness programs. El Buen assists clients to become self-sufficient, productive members of the community and focuses on families.

A Strategic Plan was completed in 2011 which will guide El Buen’s future growth. Its operational model of integrated services represents a “best practice” in social services, and it enjoys strong support from the Episcopal community and other donors and funders. Under the leadership of Victor Azios, it continues to develop its effectiveness as it serves more and more people. For example, during the last three years, its Wallace Mallory Clinic grew from 8,000 to 18,000 annual client visits in its service to the uninsured.

Seminary of the Southwest

At the Seminary of the Southwest, the life of the community is rich and varied as it goes about its mission of forming lay and clergy leaders for the Church. The Dean, Faculty, and Administrative Staff are an outstanding group who work together extremely well. Presiding Bishop Katharine Jefferts Schori visited in November to celebrate the 60th anniversary of the seminary’s founding by Bishop John Hines. In accordance with its adoption by the diocese, the Feast of John Hines is also commemorated annually at the seminary.

Theological education is undergoing great change. The need to provide a range of models, in addition to a three-year residential experience for clergy, is taken seriously at the Seminary. Some of the emerging trends are the education of laity and the local (diocesan) formation of clergy.

Along with members from the Seminary, the Iona School for Ministry, and eight other dioceses, I serve on a collaboration called the Iona Initiative. Its goal is to “export” the excellent school we have in the Diocese of Texas to other dioceses. It provides high quality instruction for the diocesan preparation of clergy. In the fall of 2011 the first pilot classes began in two dioceses, one more will begin in January, and the remainder will begin in September 2012. Materials include videos, Power Point with voiceover, and teaching guides for the use of local mentors. First reports are that the program is working very well, and we will continue to develop both content and guidance for the dioceses that operate the program. Mary MacGregor and Sam Todd from the Iona School for Ministry have been especially great collaborators to make this program possible.

The Seminary is in the third year of a \$15.9 million capital campaign to support Faculty Endowment, Scholarships, and the Annual Fund. As of this writing, the Scholarship and Annual Fund goals have been met, and we hope to complete the Faculty Endowment segment of the campaign in 2012. This Campaign for Leadership will strengthen the Seminary’s delivery of theological education, an enterprise which undergirds the mission and ministry of the Church.

St. Luke’s Episcopal Health System

The largest institution of the diocese, St. Luke’s delivers acute care through a six-hospital system in the Houston area. It also supports St. Luke’s Episcopal Health Charities, which funds health ministries throughout the diocese.

During 2011, the System board undertook a strategic study to evaluate its position in the rapidly changing healthcare environment. The Affordable Healthcare Act and the many pressures on all aspects of operations portend massive changes in the healthcare environment. The uncertainty about how these changes will affect our healthcare mission through the St. Luke’s System challenges us to position ourselves in the best possible way.

One thing seems clear, and that is that size is critical. We are not at present large enough to provide the economies of scale that will be necessary in the future. Therefore, this discernment is ongoing through further study and the consideration of various scenarios.

We are extraordinarily well served by our executives, by the boards of our individual hospitals, and by the System board. They bring both extensive experiences in business matters and deep wisdom about mission. In particular, Chester Jones, Executive Chair of the System board, serves sacrificially with great dedication to the healing ministry we exercise.

St. Stephen's Episcopal School

St. Stephen's continues to provide an excellent college preparatory education for both boarders and day students in grades 6–12. This year saw the completion and dedication of new dorm facilities, faculty residences, and a pedestrian green which links various components of the campus. The next project on the drawing board is a Dining Hall and Student Center which will further expand the services provided to students.

During this academic year the board and faculty are focusing on a review of the educational experience St. Stephen's provides. The goal is to continue to seek and to develop best practices so that the education offered is as deep, broad, relevant, and excellent as possible. In August, we also welcomed the Rev. Todd FitzGerald back to the diocese as Chaplain at St. Stephen's.

Clark Heidrick, a member of Good Shepherd, Austin, will complete a term as Executive Chair at the end of this academic year. His leadership has been extremely effective, moving the institution forward in various ways and keeping the school's mission at the forefront at all times, and we are grateful for his ministry.

World Mission Board

This group has been very busy and very productive during 2012. It undertakes a number of activities on our behalf: small mission grants, companion relationships, and grants in support of the Millennium Development Goals. Please see its report in this volume. Through its work, everyone in the diocese is able to be connected to the global community in meaningful ways.

Episcopal Relief and Development

This is my fourth year to serve on the board of Episcopal Relief and Development. This is a real privilege because this organization operates on behalf of the Church at the highest levels of effectiveness and accountability. It is active around the world on our behalf, providing disaster relief and development services. For more about its work, please see its Web site: www.er-d.org

Many thanks to all of you who supported the Nets for Life campaign in the diocese. This is a transformative ministry which produces impressive results in reducing both the incidence of malaria and the death rates from malaria in the areas where we work. In the coming year I will serve on the Nets for Life Advisory Board as this program moves into its next phase.

Your prayers for your bishops are extremely important to us. We rely on you to support us in this way, and likewise we pray for you. As a beloved community, may we rejoice in our fellowship and in our opportunities to make disciples and to serve the world in the name of Jesus.

Dena A. Harrison, Bishop Suffragan

REPORT OF BISHOP HIGH

For the past 14 years I have had the privilege of working in the area of Pastoral Care for our diocese, under three bishops. We, as a diocese, can take satisfaction in knowing our clergy and lay people have been cared for and will continue to be cared for.

A number of our clergy and spouses, active and retired, have received superior medical attention through our own St. Luke's Episcopal Hospital. Our retired clergy community continues to be cared for by our Chaplains to the Retired: The Reverends Roland Timberlake, Jack Russell, Ben Shawhan, Jim Alcorn, and Don Legge (who retired in 2012). Not only are our retired contacted on a regular basis, but many of them participate in our annual Retreat for the Retired in April of each year. A clergy wellness checkup by St. Luke's Hospital is offered to all of our clergy each year at the annual clergy conference. Your bishops and diocesan staff care deeply for our clergy family and strive very hard to make sure that the necessary resources are available to them for their good health and wellbeing.

The pastoral care initiative spreads throughout the diocese in so many varied and different ways from the Division of Human Needs and Social Concerns to the Recovery Ministry, Bioethics, Restorative Justice, Prison Ministry, and the Seafarers' Ministry at the Port of Houston. In Galveston St. Vincent's House offers love, concern, and resources to those in the greatest of need, and we are blessed with the extraordinary ministry of St. James' House in Baytown, our retirement outreach. And in all of these areas (and there are many others under Pastoral Care), we could not do this without the involvement and support of so many of the laity of this diocese and our sister and brother clergy.

I am so very proud to have been connected with this ministry in our diocese. The Pastoral Care Ministry of the Diocese of Texas will continue to grow as we reach more and more people in our diocese, and we will continue to need your prayers, your support and, very importantly, your involvement.

Rayford B. High, Bishop Suffragan

REPORT OF BISHOP FISHER

As the newest Bishop Suffragan in the Diocese of Texas, I have only served for a several months in this role, yet have much to give thanks for. Thank you for electing me on June 2, 2012. Thank you for your prayers, especially weekly throughout the diocese in the Prayers of the People. Thank you for your patience and support as I grow and am formed into the bishop that God is calling me to be. The Holy Spirit has blessed and humbled my family in numerous ways in 2012; for this we give thanks to God and to you.

My Ordination and Consecration as a Bishop on October 6, 2012, was an historic occasion. Never before had such a liturgy occurred in East Texas, and Tyler was the perfect host. In East Texas, never before had the Presiding Bishop of The Episcopal Church, along with 16 other bishops, laid hands on the head of a priest to make him a bishop. And what a grand occasion it was: amazing music, an incredible sermon by Bishop Doyle, and a great assortment of family and friends from all over this diocese and the Church universal. On October 6, it felt as if the communion of saints was gathered, in person or in prayer, in Tyler.

I am glad to be in East Texas, overseeing congregations in the eastern region. I am already enjoying my visitations to a great variety of congregations in our diocese. I will be visiting many congregations, not just those in the eastern region. I am seeing a renewed sense of vision and forward-thinking: signs of health and evangelism for the sake of Jesus and his love for all people.

As the Executive for Pastoral Ministry, my goal is to build on the excellent work of Bishop High and to continue a healthy pastoral care ministry for our clergy and clergy families. I hope for a greater network, a web, of pastoral care that is strategic and widespread over every region of our diocese.

Bishop Doyle and I met regularly between my election and consecration to ponder the ministries and institutions that I am to be involved with and to participate with in mission. The Episcopal Church Women (ECW), Daughters of the King, Diocesan Altar Guild, St. James House in Baytown, St. Vincent's House in Galveston, and All Saints' Episcopal School in Tyler are among those ministries. I am building relationships with leaders, seeing where I might add value as I encounter these ministries with a fresh eye.

In service to the wider Church, the Presiding Bishop and the Executive Council of The Episcopal Church have appointed me to the Joint Audit Committee of the Executive Council and the DFMS for a 3-year term. I look forward to serving The Episcopal Church on this committee, utilizing gifts as a bishop and a former CPA, in combination.

I give thanks that you and the Holy Spirit have called me to the office and vocation of bishop. I am thankful to be on a team with Bishop Doyle and Bishop Harrison. I look forward to many years serving with you and for you, all to the glory of God and for the expansion of Jesus' kingdom of love.

Jeff W. Fisher, Bishop Suffragan

IV. REPORTS OF OFFICERS OF THE DIOCESE

Archivist

(No Report Received)

Historian

This year, the Rev. Jimmy Abbot and I have continued to revise and update the History of the Diocese from 1980–2010. Since the election of Bishop Doyle in 2008, we have added a new section on developments within the diocese and national church. An addition to our history is being written and will bring it update to the current state of the church.

Copies of the History may be attained from the Diocesan Office.

Mark T. Crawford, Historian

Registrar

As registrar of the Diocese of Texas, I certify that for 2012, all ordinations held within the diocese and all transfers of clergy as well as clergy changes in each congregation have been duly recorded.

John A. Logan, Jr., Registrar

Secretary

I am always grateful to those who have responded to the Bishop's request for reports to the *Journal* and those who have responded in time to get them printed in Volume I.

Again this year, the Directory was not printed. All information which was previously included in the Directory may now be found online at the diocesan Web site: www.epicenter.org/. Among other conveniences, this process will allow us to keep up to date on additions, deletions, and changes of address.

Again this year, delegate registration and certification forms for the 164th Council are to be filed online. Forms of other materials for 2013 (such as the list of appointed/elected parochial officers) are already available on the diocesan Web site as a part of Council registration forms. Please note that Council registration and all of the other requested information is to be completed online. If you need assistance completing any of these forms, please call the Diocesan Infochange office at (713) 520-1033.

As has been the case for the last several years, copies of Parochial Report forms will be mailed directly from NYC to individual congregations. You should have received them by December 14th. Each packet will contain a card with the UEID and PIN that pertains to your congregation. **Please note that the workbooks for help in filling out the report are available online and will not be included in the packet.** As before, you are required to file your report online. Online entry will not begin until January 2 (the first day for filing). Please do not send a "hard copy" to the diocese, as we are able to access the reports once they have been filed online. It is wise, however, to keep a hard copy of your Parochial Report for your own reference. I would remind you that regardless of what the preparation handbook says, by diocesan canon, your Parochial Report is due in the New York office of the General Convention prior to the opening of Diocesan Council on February 9, 2013. After January 2, we will be checking daily to see

which ones have been filed (and which ones have not). If your report is not on file by February 9th, diocesan canons specify that you are not entitled to be seated or have a vote in Council. Please make every effort to file your Parochial Report in a timely manner.

John A. Logan, Jr., Secretary

Treasurer

NOTE: The final 2012 Treasurer's Report will be distributed and presented at the pre-Council Convocational meetings in January, the pre-Council webinars, and at special workshops before the opening of Council. It will also be published in Volume II of the *Journal*.

BALANCE SHEET

	Unaudited Oct. 31, 2012	Audited Dec. 31, 2011
ASSETS		
Cash and Marketable Securities	\$ 371,061	\$ 845,722
Prepaid Expenses	199,750	62,910
Accounts Receivable		
Assessments & Askings	471,391	200,615
Less: Allowance for Doubtful Accounts	(103,660)	-0-
Other	224,531	202,285
Notes Receivable	69,368	50,000
Great Commission Fund Investment	363,816	262,752
Fixed Assets	778,824	565,360
Less: Accumulated Depreciation	<u>(360,727)</u>	<u>(297,546)</u>
TOTAL ASSETS	<u>\$2,014,354</u>	<u>\$1,892,098</u>
LIABILITIES		
Accounts Payable		
Trade	\$ 170,244	\$ 329,427
Other	139,826	158,903
Taxes Payable	-0-	-0-
Deferred Revenue	61,841	9,624
Line of Credit	-0-	-0-
Notes Payable	<u>45,779</u>	<u>60,294</u>
TOTAL LIABILITIES	<u>\$ 417,690</u>	<u>\$ 558,248</u>
NET ASSETS		
Net Assets	\$1,333,243	\$1,100,925
Net Assets – Special Accounts	<u>263,421</u>	<u>232,925</u>
TOTAL NET ASSETS	<u>\$1,596,664</u>	<u>\$1,333,850</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$2,014,354</u>	<u>\$1,892,098</u>

The information presented below is for the period January 1 – October 31, 2012.

	<u>YEAR TO DATE AMOUNTS</u>	<u>2012 ADOPTED BUDGET</u>
DIOCESAN BUDGET		
REVENUES		
Current Year Assessments	\$3,362,665	\$4,035,200
Other Income	<u>1,168,244</u>	<u>1,287,635</u>
TOTAL REVENUES	\$4,530,909	\$5,322,835
EXPENDITURES		
Insurance – Property & Workers' Comp.	\$ 65,106	\$ 84,500
Clergy – Salaries, Housing, Pension, Social Security Reimbursement, and Business & Travel Expense	997,848	1,264,950
Professional Staff – Salaries, Pension, and Business & Travel Expense	1,711,431	2,059,600
Diocesan Center Operating Expense	603,585	784,000
Canonical and Administrative Expense	440,337	521,285
Commission and Committee Expense	513,097	728,500
Special Accounts – NET	<u>64,374</u>	<u>-0-</u>
TOTAL EXPENDITURES	<u>\$4,395,778</u>	<u>\$5,442,835</u>
NET CHANGE IN ASSETS	<u>\$ 135,131</u>	<u>\$ (120,000)</u>

INSURANCE BUDGET		
REVENUES		
Current Year Assessments	<u>\$3,776,246</u>	<u>\$4,531,589</u>
TOTAL REVENUES	\$3,776,246	\$4,531,589
EXPENDITURES		
Insurance Premiums	\$3,307,363	\$4,085,874
HSA fundings	631,067	670,715
Less: Reimbursements	(163,618)	(135,000)
Other Supplemental Expenses	<u>42,975</u>	<u>60,000</u>
TOTAL EXPENDITURES	<u>\$3,817,787</u>	<u>\$4,681,589</u>
NET CHANGE IN ASSETS	<u>\$ (41,541)</u>	<u>\$ (150,000)</u>

The information presented below is for the period January 1 – October 31, 2012.

	<u>YEAR TO DATE AMOUNTS</u>	<u>2012 ADOPTED BUDGET</u>
MISSIONARY BUDGET		
REVENUES		
Current Year Missionary Commitments	\$1,731,933	\$2,067,394
Program Revenue	150,983	60,500
Other Income	<u>-0-</u>	<u>6</u>
TOTAL REVENUES	\$1,882,916	\$2,127,900
EXPENDITURES		
Missions	\$1,048,049	\$1,282,705
Outreach and Evangelism	165,049	301,757
Formation Ministries	160,961	139,284
Bishop's Program Contingency	10,395	15,000
Cooperative Projects	17,174	21,409
National Church Response	299,783	359,740
Budget Shortages/Other Expenses	<u>-0-</u>	<u>8,005</u>
TOTAL EXPENDITURES	<u>\$1,701,411</u>	<u>\$2,127,900</u>
NET CHANGE IN ASSETS	<u>\$ 181,505</u>	<u>\$ -0-</u>

The Treasurer's office would be happy to answer any questions regarding the above Diocesan financial information, insurance, property matters, or congregational finances.

Robert J. Biehl, Treasurer

Executive Board

There have been five meetings of the Executive Board since the report to the 163rd Council. A final meeting for the year is scheduled for December 5, 2012.

Wednesday, December 7, 2011. The Board continued to seek ways to reduce the usage of paper. Search for an Outreach Coordinator continues. The Board heard a report on the construction of a new meeting space at Camp Allen. It was reported that the Safeguarding record keeping would be kept online under the supervision of a Safeguarding Records Administrator. Plans for the upcoming election of a Bishop Suffragan were discussed. The Board heard a presentation on the Greenfield Commission (formerly the Church Planting and Growth Task Force) under the chairmanship of Jeff Fisher. The Bishop reported that the Task Force on Unity in Mission had had a good start. The Bishop announced that he had been contacted about the possibility of holding General Convention in the Diocese in 2018. The Board voted to extend the invitation.

Saturday, February 11, 2012. At a meeting of the Executive Board immediately following the adjournment of the 163rd Council, the following officers were elected: Bishop Harrison, Vice-Chair; Bob Biehl, Treasurer; John A. Logan, Jr., Secretary; Deanna Bosch, Nominations Committee Representative; David Bollinger, Chair, General Funds Appeal Committee.

Wednesday, March 7, 2012. The Bishop reported that the three goals of the Diocese are Ministry That Transforms and Restores, Exceptional Stewardship, and Excellence in Mission. The three pillars of the Diocese are Formation, Leadership, and Connection. Financially, the Diocese ended 2011 in as good a shape as possible. It was reported that 2011 was a record year for Camp Allen. As a part of getting ready for General Convention, the Unity in Mission Task Force had held its last meeting. The Committee reported on the plans for the bishop's election.

Wednesday, June 13, 2012. The Finance Committee reported that the Budgets are healthy and looking good for the first five months of the year. The Board adopted a resolution that the Diocese would no longer pay for health care coverage between the date of retirement and the date they qualify for Medicare supplemental coverage for those individuals who retire before they have reached their legal retirement age. Clergy and staff who have been enrolled and resident in the Diocese as of June 30, 2012, and whose health insurance has been paid for at least ten consecutive years at the date of their retirement, will be excepted from this rule and will continue to qualify for pre sixty-five retirement benefits. The motion was adopted to raise to \$750,000 the limits for an exception to the Certified Audit requirement. Another "clean audit" for the Diocese was announced. The Bishop stated that he had spent time with both clergy and lay persons over Unity in Mission and that the response seemed to generally be positive. It was reported that the "Blazing Trails" campaign for \$2.3 million was a success and that the "Happy Trails" campaign went over its goal thanks to a special gift. It was reported that Saint Luke's is in the midst of a strategic planning process. It was also reported that the Seminary had met its Annual Fund goal.

Wednesday, September 12, 2012. The Governance Committee reported that it felt it necessary to go with another option for a Board "portal" – named "Doris." At a cost of \$4,000 to \$6,000, this system should be adequate for three to five years. The Bishop spoke about the need for Church buildings in new sites – a building that would seat 165 persons, be "transportable," and cost less than \$1M. In a discussion on the insurance parity issue relating to the implementation of the Denominational Health Care Plan, discussion concluded that there is no data on hand to make a final decision at this time. The motion was made and adopted to authorize a temporary position to research the information needed. Insofar as the Iona Initiative is concerned, seven dioceses have already exported the Iona plan. Planning has started about how the Diocese of Texas can do a real search for the election of the next bishop Texas. The Bishop suggested a canonical change that would reduce the number of required Executive Board meetings to three (from four).

A final meeting of the Executive Board will be held at Camp Allen on December 5, 2012.

John A. Logan, Jr., Secretary

V. DIOCESAN COMMITTEES

The Bishop Quin Foundation

“The Mission of The Bishop Quin Foundation is to Help Build the Church!” Our Mission Statement calls for us to do this “within the Episcopal Diocese of Texas with the advice and counsel of the Bishop of Texas,...by working with the Diocesan Congregational Development staff, ...in harmony with the Protestant Episcopal Church Council and the Episcopal Foundation of Texas,... by continuing to increase and utilize its resources effectively.

Trustees are elected to overlapping three-year terms by the Council of the Diocese of Texas. The Bishop and Treasurer of the Diocese are *ex officio* members of the board, with voice and vote. Elected members during the past year included: the Rev. Susan Kennard, Mrs. Maria Boyce, and Mr. Carvel Glenn (terms expiring in 2013); the Rev. John Himes, Mr. Frederick deB. Bostwick, and Mr. Tim Nutt (terms expiring in 2014); and the Rev. William Fowler, Ms. Carol Sue “Sukey” Fenoglio, and Ms. Karla Randle-Schapansky (terms expiring in 2015). Officers elected by the Board were the Rev. William Fowler, President, Ms. Maria Boyce, Vice-President, Mr. Robert J. Biehl, Treasurer, Mr. David N. Fisher, Secretary, and Mrs. Nancy L. Lennard, Assistant Secretary.

The Foundation established the following committees:

- Executive Committee – Conducts foundation business between meetings of the board. Members are: The Bishop of Texas (Chairman), William Fowler (President & Convener), Maria Boyce, Mr. Frederick deB. Bostwick, and the Treasurer of the Diocese.
- Finance Committee – Monitors and evaluates the foundation’s investments, oil and gas properties, and loan performance. Members are: William Fowler, Frederick Bostwick, Tim Nutt, Robert Biehl, and David Fisher.
- Quin / EFT Strategic Mission Grant Committee – Joint Venture which supports the growth of Missionary Outposts/Programs within the Episcopal Diocese of Texas. The Bishop Quin Foundation members of the SMG Committee are: Karla Randle-Schapansky, Frederick Bostwick, Tim Nutt, Carvel Glenn, John Himes, and Carol Sue “Sukey” Fenoglio.

In 2012, The Bishop Quin Foundation continued to focus on funding various programs within the Diocese of Texas. Just over \$848,000 in grants were funded through September 30, 2012, as follows:

Bishop’s Curate/Intern Placement Program	\$ 202,500
Strategic Mission Grants	\$ 40,814
Support of the Episcopate	\$ 11,250
Resource Development	\$ 13,750
Information Technology Support	\$ 15,000
Sabbatical Grants	\$ 45,000
Redevelopment Grants to Congregations	\$ 90,000
Mission Property & Building	\$ 430,000

Again this year, grants were provided to support the Curate/Intern Placement Program. Under this program, The Bishop Quin Foundation funds one-half of the salaries of Curates/Interns placed in churches throughout the Diocese of Texas. The

Trustees continue to believe that attracting and maintaining high-quality talent is vital to the continued growth and success of the Diocese.

The Strategic Mission Grant program is a collaborative venture with the Episcopal Foundation of Texas. This program was modified in 2011. Some of these changes were the elimination of a maximum budget size of a congregation for eligibility, varying grant amounts, and three primary areas of focus. These three areas of focus for funding are newcomer ministries, taking the church into the community (creative evangelism), and church planting (greenfield evangelism). This program is designed to strengthen congregations throughout the Diocese by directly providing funds for programmatic offerings that will result in growth.

Through the first three quarters of 2012, the assets of The Bishop Quin Foundation increased in value over the comparable period in 2011. The market value of the Permanent Fund at September 30, 2012, was \$25,675,726 vs. \$25,796,482 at September 30, 2011. The market value of the Revolving Fund at September 30, 2012, was \$8,635,094 vs. \$2,723,973 at September 30, 2011. Total market value on September 30, 2012, was \$34,310,820 vs. \$28,520,455 on that same date in 2011. The Foundation confers regularly with its financial advisor, DiMeo Schneider & Associates, L.L.C., reviewing asset allocation strategies and the performance of its various investment fund managers.

Throughout the year, the Trustees relied on the hard work and skills of a dedicated and capable staff—most particularly Bob Biehl, David Fisher, and Nancy Lennard—and we are grateful for and feel blessed by their guidance, advice and support. We have also been ably advised by Bishop Doyle. Our efforts were coordinated throughout the year with the Church Corporation and the Episcopal Foundation of Texas. It is a privilege to work with this exceptional group of Christians with one accord.

William Fowler, President

Church Corporation

The Protestant Episcopal Church Council of the Diocese of Texas, popularly known as the “Church Corporation,” serves the diocese by providing a vehicle for professional investment management to congregations and institutions throughout the diocese. This vehicle is known as the Participating Fund and allows participants to pool their funds with others to achieve economies of scale and quality fiduciary management. Accounts of all sizes are accepted and invested together with the Church Corporation’s own funds by eleven nationally known investment managers in diversified asset classes. The Church Corporation also serves the diocese by holding title to property used by churches, day schools, outreach ministries, and other diocesan entities and by administering the Clergy Housing Trust and the Episcopal Housing Trust. The financial activities of the Church Corporation are summarized in the statements that follow. The five trustees—David T. Harvin; Helen L. Toombs; Peter Boyd; Charles W. Hall—and I are ably assisted by Robert J. Biehl, Assistant Treasurer; David N. Fisher, Assistant Secretary/Treasurer; and Nancy Lennard, Assistant Secretary.

Questions related to the report or any other matters may be addressed to Mr. David Fisher or the undersigned.

JoLynn Free, President

**SUMMARY OF INVESTMENT ACCOUNTS
AS OF SEPTEMBER 30, 2012**

	Book Value	Market Value
Protestant Episcopal Church Council:		
Participating Funds	\$23,325,509	\$24,535,048
Episcopal Housing Trust	3,154,168	3,154,168
Clergy Housing Trust	662,825	662,825
Diocesan Properties Fund	15,455,969	15,455,969

**PROTESTANT EPISCOPAL CHURCH COUNCIL
PARTICIPATING FUNDS
STATEMENT OF ASSETS**

Cash and Cash Equivalents	\$ 1,490,303	\$ 1,490,303
Bonds	9,361,069	9,867,366
Stocks	8,050,137	8,525,548
Other Investments	4,424,000	4,651,831
Total	<u>\$23,325,509</u>	<u>\$24,535,048</u>

**THE EPISCOPAL HOUSING TRUST
STATEMENT OF ASSETS**

Cash and Cash Equivalents	\$ 14,409	\$ 14,409
Notes and Mortgages	325,172	325,172
Accounts Receivable	3,267	3,267
Real Estate	2,811,320	2,811,320
Total	<u>\$3,154,168</u>	<u>\$3,154,168</u>

**THE CLERGY HOUSING TRUST
STATEMENT OF ASSETS**

Cash and Cash Equivalents	\$122,993	\$122,993
Notes and Mortgages	433,572	433,572
Accounts Receivable	184,751	184,751
Total	<u>\$662,825</u>	<u>\$662,825</u>

**DIOCESAN PROPERTIES FUND CUSTODY
STATEMENT OF ASSETS**

Cash and Cash Equivalents	\$ 122,993	\$ 122,993
Notes and Mortgages	3,837,224	3,837,224
Accounts Receivable	3,466,784	3,466,784
Real Estate	8,028,968	8,028,968
Total	<u>\$15,455,969</u>	<u>\$15,455,969</u>

The Episcopal Endowment Fund

The Trustees of the Protestant Episcopal Church Council are grateful to the following congregations for their support of the Episcopal Endowment Fund. They have collected the Whitsunday Offering as set out in Canon 14.2 and made the following contributions to the fund during 2012.

Ascension, Houston	\$ 560.00	St. Dunstan's, Houston	78.55
Christ Church Cathedral	1,209.00	St. Francis', Tyler	226.00
Christ Church, Matagorda	26.00	St. James', Austin	15.00
Christ the King, Atascocita	45.00	St. James', La Grange	162.00
Emmanuel, Houston	177.41	St. John's, Center	89.00
Good Shepherd, Tomball	125.00	St. John's, La Porte	79.31
Grace, Alvin	44.00	St. John's, Marlin	57.25
Grace, Houston	109.00	St. John's, Sealy	145.00
Holy Comforter, Angleton	159.00	St. Luke's, Belton	100.00
Holy Innocents', Madisonville	50.00	St. Mark's, Beaumont	134.00
Holy Spirit, Houston	222.00	St. Mark's, Richmond	60.05
Holy Spirit, Waco	140.00	St. Martin's, Houston	573.00
Palmer Memorial, Houston	777.00	St. Mary's, Lampasas	51.24
San Francisco de Asis, Austin	50.00	St. Matthew's, Henderson	15.25
St. Alban's, Houston	72.00	St. Paul's, Katy	51.00
St. Alban's, Manchaca	326.00	St. Paul's, Waco	165.00
St. Andrew's, Bryan	284.80	St. Peter's, Brenham	85.01
St. Andrew's, Houston	202.25	St. Peter's, Lago Vista	548.00
St. Andrew's, Pearland	48.54	St. Richard's, Round Rock	65.00
St. Augustine's, Galveston	175.00	St. Thomas the Apostle, Nassau Bay	167.00
St. Barnabas', Houston	76.65	St. Thomas', Houston	93.00
St. Bartholomew's, Hempstead	75.00	St. Thomas', Wharton	107.50
St. Christopher's, Houston	137.77	Trinity, Marble Falls	241.00
St. Christopher's, Killeen	50.00		
St. David's, Austin	200.00		<u>\$8,649.58</u>

The Fund had a balance of \$547,156 as of September 30, 2012, and is invested in the Participating Funds of the Diocese. It will make payments of \$30,000 to the Diocese in support of the Bishop's salary during 2012.

Trustees, Church Corporation

Episcopal Foundation of Texas

The value of the Episcopal Foundation of Texas has increased through the 2nd and 3rd quarters of 2012 as a result of improvements in the financial markets. At the end of the 3rd quarter 2012, the assets of the Foundation totaled \$49.9 million, which represents an increase in market value of just over \$4 million since the beginning of 2012. The increase in the value of the Foundation may provide a small increase in the funds available for grants in 2013, depending on the performance of the investment portfolio in the fourth quarter of 2012. Below is a list of the funds granted to the various institutions the Episcopal Foundation of Texas supports during 2012.

Diocesan Grants:

St James House	\$ 75,000
St. Vincent's House	125,000
El Buen Samaritano	75,000
St. Stephen's School – Capital Campaign	100,000
University of the South	25,000
Episcopal Theological Seminary SW	300,000
Episcopal Theological Seminary SW Rather House Renovation	50,000
Episcopal Theological Seminary SW Coffield Chair	45,000
Camp Allen	75,000
The Bishop Quin Foundation	115,000
The Bishop Quin Foundation Strategic Mission Grants	<u>204,036</u>
Total	\$1,189,036

Tithe Grants:

Compass Rose Society	\$ 42,683
Foreign Bishops Travel to General Convention	10,000
Faith in Practice	5,000
College for Bishops	20,000
Anglican Health Network	5,000
Virginia Theological Seminary	15,000
The Episcopal Church in Micronesia	4,000
Lord Carey Foundation	3,000
Camp Allen (Westside Homeless Children to Camp)	<u>10,000</u>
Total	\$ 114,683

The accounting firm of Blazek & Vetterling LLP has completed auditing the Episcopal Foundation of Texas for the year 2011. There were no significant changes recommended in our accounting procedures. Copies of the Audit report are available in the Diocesan office and can be reviewed upon request.

If you have any questions about the Episcopal Foundation of Texas, please feel free to call me at the Diocesan Headquarters.

Bruce Harper, President

VI. CANONICAL REPORTS

Commission on Ministry (No Report Received)

Examining Chaplains

The Examining Chaplains met to examine four candidates for ordination as Deacons. For the second year, we used the examination process we had developed the year before to take the place of the National General Ordinations Examinations. We again found it more satisfactory than the GOEs, providing an assessment of the students' writing skills as well as practical application of those skills. We met for three days in January at Camp Allen for a series of written and oral examinations in addition to having each student plan and lead one of the Daily Offices, including preaching a sermon. We subsequently met in October for a short series of oral examinations before recommending them for ordination as Priests. Current Chaplains are Miles R. Brandon, A. Dean Calcote, Christine Faulstich, James M. L. Grace, Gerald Sevvick, and Edward L. Stein.

A. Dean Calcote, Chair

Deacon's Report

In June of 2012, deacons from the sixth class of the Iona School of Ministry were graduated and ordained. The class includes: Bob Lowry, who was placed at Trinity in the Woodlands and St. Luke's Hospital in the Woodlands; Portia Sweet, who was placed at St. Andrew's in the Heights in Houston; and Sherry Williams, who was placed at St. Christopher's and St. Michael's in Austin.

Our twenty-five deacons, many of whom hold "regular" jobs, are involved in a great diversity of diaconal work throughout the Diocese. One deacon serves as the Diocesan Coordinator for the Partnership Agreement between the Anglican Diocese of Southern Malawi and the Episcopal Diocese of Texas. One deacon serves as the diocesan liaison between Episcopal Relief and Development and the Nets for Life program. The Archdeacon serves in a consulting organization through Episcopal Relief and Development that partners with dioceses and congregations who have experienced disasters and need assistance with how to respond. One deacon continues to be involved in the Austin Recovery ministry, a twelve-step recovery ministry. This deacon continues to listen to 5th steps as he has during the past four years. Another deacon continues to facilitate a veterans' support group for those diagnosed with PTSD. Another deacon oversees a monthly Circle of Care meeting for Community of Hope. Several deacons do hospital chaplaincy at local hospitals, and one also supervises volunteer chaplains. One deacon works with a local organization called Love in the Name of Christ, which serves the needy. Two serve as members of the board of St. Luke's Episcopal Health Charities. Several deacons are involved in ministry to the elderly at assisted living facilities and nursing homes. Two deacons do chaplain work for hospice organizations. Three deacons are now involved in Kairos Prison Ministry. Several deacons do other ministry in prisons including chaplain work, facilitation of an Overcomers Program or Bridges to Life, etc. Several deacons are involved in grief and loss groups or in the program called Walking the Mourner's Path.

One deacon convenes a group of outreach leaders called Common Ground who are from the three churches in the Bryan-College Station area. This group produces joint outreach projects. Several deacons are chaplains to law enforcement departments. Some teach first Communion and/or Confirmation classes including leading a six-week class on the Basics of Faith. Several deacons mentor lay leaders to be the leaders of various outreach projects. They spend time prayerfully discerning new leaders and raising them up and sending them out. One deacon led a mission trip to Honduras and one to Bolivia. Several deacons were involved in the hugely successful Missionpalooza youth mission trip to Bastrop in July. One deacon organized a “Saturdays of Service,” where all members of the congregation were encouraged to choose at least one service activity during Lent. Several deacons are team members of our diocesan Emergency Spiritual Care Team.

One deacon has been placed at Calvary in Bastrop and manages our response to the wildfires through our joint volunteer center called Faith Village and through participating on the unmet needs subcommittee of the long-term recovery team for Bastrop County.

In addition to this work in our communities, several deacons serve in Diocesan-wide roles. The Reverend Mary Lenn Dixon and the Reverend Linda Shelton coordinate the diaconal curriculum for the Iona School; the Reverend Pat Ritchie supervises field work for the deacons in formation; the Reverends Bob Horner, Wanda Cuniff, and Pat Ritchie serve on the Committee for the Diaconate; the Reverend Betty Divine is Diocesan Jubilee Officer; the Reverend Victoria Mason is Chair of the Committee for the Diaconate and is the Convener for the project committee for the Iona Initiative; the Reverend Wanda Cuniff has served on the Division of Spiritual Formation; and the Reverend Linda Shelton and the Reverend Sherry Williams are the Diocesan Liaisons for Episcopal Migration Ministries. The Reverend Nancy Ricketts serves as a member of the following in EDOT: the World Mission Board, the Liturgical Commission, and the Disciplinary Board. She also serves on the Board of Warm Heart International and the Board of Bayview Mission of the Diocese of California. The Reverend Phyllis Hartman and the Venerable Russ Oechsel served on the search committee for the Canon/Director for Common Mission. The Reverend Gill Keyworth and the Venerable Russ Oechsel are jointly Diocesan Emergency Response Coordinators.

Our deacons attended a Clericus in October prior to Clergy Conference. Discussions included information sharing on all the various diaconal ministries across the Diocese. In addition, the Bishop charged us to encourage the engagement of the people who live in the communities surrounding our churches by listening to their needs and concerns – to do local Common Mission work. We discussed how to do this. A model being discussed is the work that is referred to as Community Organizing, involving house visits in order to listen to the community. Three deacons have attended training to learn about this model.

Russ Oechsel, Jr., Archdeacon

Standing Committee

The 2012–2013 Standing Committee members are:

Linnet F. Deily, President

The Rev. Michael Besson, Secretary

The Rev. James Derkits resigned; replaced by the Rev. Howard Castleberry

The Rev. Jeff Fisher resigned; replaced by the Rev. Genevieve Razim

Mr. John Hancock

Ms. Kay Pendarvis

The Standing Committee met in March, April, August, and November. Consents to Episcopal elections were given to:

The Rev. Jeff Fisher Diocese of Texas

The Rev. Oge Beauvoir Diocese of Haiti

Consents to hold Episcopal elections were given to the following Diocesan elections:

Texas Bishop Suffragan

North Carolina Bishop Suffragan

Linnet F. Deily, President

Disciplinary Board

The Disciplinary Board was not convened in the reporting period, thanks be to God.

Lisa Hines, President

VII. EXECUTIVE BOARD UNITS, DIVISIONS, & DEPARTMENTS

FINANCE AND STEWARDSHIP UNIT

Division of Finance

THE EPISCOPAL DIOCESE OF TEXAS 2013 DIOCESAN BUDGET

AS APPROVED BY THE EXECUTIVE BOARD
FOR RECOMMENDATION TO THE 164TH DIOCESAN COUNCIL

Part A - Insurance

	2012 Adopted <u>Budget</u>	2013 Proposed <u>Budget</u>	
Revenue and Support			
Insurance Assessments	\$4,600,500	\$4,515,500	1)
Less: Allowance for Uncollectible	<u>(69,008)</u>	<u>(112,888)</u>	2)
Net Assessments	4,531,492	4,402,612	
 Miscellaneous Revenues	 <u>97</u>	 <u>-0-</u>	
Total Revenue and Support	<u>\$4,531,589</u>	<u>\$4,402,612</u>	
 Expenditures			
Group Health Insurance	\$4,085,874	\$4,045,000	
Health Savings Account Deposits	670,715	655,600	
Less – Reimbursements			
St. Luke's Episcopal Health Sys. Clergy	(125,000)	(140,000)	
Premiums from Individuals	(10,000)	(32,988)	
Insurance Reserve	<u>60,000</u>	<u>75,000</u>	
 Total Expenditures	<u>\$4,681,589</u>	<u>\$4,602,612</u>	
 Net Change in Assets	<u>\$ (150,000)</u>	<u>\$ (200,000)</u>	

Notes:

- 1) The Executive Board of the Diocese authorizes all health insurance premiums for active and retired clergy and diocesan lay staff to be a separate reimbursable cost included in the annual assessment. The expense amount for 2013 is based upon an anticipated 2.55 percent increase in budgeted healthcare costs over 2012 budgeted costs, as negotiated with the Church Medical Trust in New York.
- 2) Provision for those churches unable to pay their Insurance Assessment. This provision is 2.5% of the Insurance Assessment Revenues for 2013, an increase of 1% from 2012.

THE EPISCOPAL DIOCESE OF TEXAS
2013 DIOCESAN BUDGET
AS APPROVED BY THE EXECUTIVE BOARD
FOR RECOMMENDATION TO THE 164TH DIOCESAN COUNCIL

Part B – Diocesan Operations

	2012 Adopted <u>Budget</u>	2013 Proposed <u>Budget</u>	
Revenue and Support			
Diocesan Assessments	\$4,096,650	\$4,336,000	
Less: Allowance for Uncollectible	<u>(61,450)</u>	<u>(108,400)</u>	1)
Net Assessments	4,035,200	4,227,600	
Revenue & Support from Foundations (Schedule A)	1,104,250	1,133,000	
Other Funding			
St. Luke's Episcopal Health System	80,000	100,000	
IONA Program Revenues	50,000	50,000	
Other IONA Revenues	-0-	17,000	
Safeguarding Revenues	4,000	3,000	
Stewardship Conference Revenues	5,000	-0-	
Commission on Ministry Revenues	5,000	5,000	
Congregational Development Revenue	500	2,000	
Great Commission Fund Revenue	10,000	14,400	
Formation Event Revenue	3,000	10,000	
Other Program Revenues	-0-	2,000	
Retiree Conference Revenues	-0-	8,000	
Suffragan Bishop Election Registrations	18,000	-0-	
Other Income			
Brochure Sales	5,000	4,000	
Texas Episcopalian Contribution	2,500	1,000	
Other Income	<u>385</u>	<u>3,200</u>	
Total Other Funding	183,385	219,600	
Total Revenue and Support	<u>\$5,322,835</u>	<u>\$5,580,200</u>	

Note:

- 1) Provision for those churches unable to pay their Diocesan Assessment. This provision is 2.5% of the Diocesan Assessment Revenues in 2013 an increase of 1% from the 2012 provision.

See Accompanying Schedules and Notes

THE EPISCOPAL DIOCESE OF TEXAS
2013 DIOCESAN BUDGET
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	2012 Adopted <u>Budget</u>	2013 Proposed <u>Budget</u>
Expenditures		
Liability Insurance Expense	\$ 84,500	\$ 89,000
Compensation (Schedule B)		
Clergy Staff	1,006,750	1,088,900
Lay Staff	<u>1,976,600</u>	<u>2,011,800</u>
Total Compensation	2,983,350	3,100,700
Diocesan Center Operating Expense (Schedule C)	784,000	811,500
Business and Travel Expense (Schedule D)		
Clergy Staff	258,200	303,000
Lay Staff	<u>83,000</u>	<u>91,000</u>
Total Business and Travel Expense	341,200	394,000
Canonical and Administrative Expense (Schedule E)	618,785	582,300
Commission and Committee Expense (Schedule F)	<u>631,000</u>	<u>702,700</u>
Total Expenditures	<u>\$5,442,835</u>	<u>\$5,680,200</u>
Net Change in Assets	<u>\$ (120,000)</u>	<u>\$ (100,000)</u>

See Accompanying Schedules and Notes

THE EPISCOPAL DIOCESE OF TEXAS
2013 DIOCESAN BUDGET
AS APPROVED BY THE EXECUTIVE BOARD
FOR RECOMMENDATION TO THE 164TH DIOCESAN COUNCIL

Schedule A
Foundations' Support and Other Income

	<u>2012</u> <u>Adopted</u> <u>Budget</u>	<u>2013</u> <u>Proposed</u> <u>Budget</u>	
Revenue and Support from Foundations			
Church Corporation Participating Funds			
Diocesan Overhead Reimbursement	\$ 326,250	\$ 340,000	1)
Resource Development Program	75,000	75,000	
Episcopal Endowment Fund Support	30,000	30,000	
Information Technology Support	20,000	25,000	2)
Diocesan Center Maintenance Fund	<u>3,000</u>	<u>3,000</u>	
Total Church Corp. Participating Funds	454,250	473,000	
 Bishop Quin Foundation			
Diocesan Overhead Reimbursement	190,000	190,000	1)
Resource Development Program	110,000	110,000	
Information Technology Support	40,000	50,000	2)
Support of the Episcopate	<u>15,000</u>	<u>15,000</u>	
Total Bishop Quin Foundation	355,000	365,000	
 Episcopal Foundation of Texas			
Diocesan Overhead Reimbursement	240,000	240,000	1)
Rent & Expense Reimbursement	<u>55,000</u>	<u>55,000</u>	
Total Episcopal Foundation of Texas	<u>295,000</u>	<u>295,000</u>	
 Total Revenue and Support - Foundations	 <u>\$1,104,250</u>	 <u>\$1,133,000</u>	

Notes:

- 1) These amounts represent reimbursements for allocated expenses associated with supporting the foundation's activities for 2012 and 2013. A small increase was included from the Church Corporation for 2013.
- 2) Amounts adjusted to reflect increased costs for information technology development and deployment.

THE EPISCOPAL DIOCESE OF TEXAS
2013 DIOCESAN BUDGET
AS APPROVED BY THE EXECUTIVE BOARD
FOR RECOMMENDATION TO THE 164TH DIOCESAN COUNCIL

Schedule B - Clergy Staff Compensation

	2012 Adopted <u>Budget</u>	2013 Proposed <u>Budget</u>	
Stipend			
Diocesan Bishop (Doyle)	\$ 192,430	\$ 198,200	
Suffragan Bishop (Harrison)	87,240	101,500	
Suffragan Bishop (Fisher)	36,620	91,500	
Assisting Bishops	27,500	-0-	1)
Canon to the Ordinary (Normand)	39,670	40,700	
Canon for Formation (Newton)	3,030	46,000	
Canon for Common Mission	15,000	3,800	2)
Safe Church Minister (Smith)	52,210	54,100	
Secretary of the Diocese (Logan)	<u>4,850</u>	<u>5,000</u>	
Total Stipend	458,550	540,800	
Housing Allowance and Maintenance			
Diocesan Bishop (Doyle)	35,875	40,000	
Suffragan Bishop (Harrison)	35,875	40,000	
Suffragan Bishop (Fisher)	14,950	40,000	
Assisting Bishops	7,000	-0-	1)
Canon to the Ordinary (Normand)	60,000	61,500	
Canon for Formation (Newton)	89,000	47,200	
Canon for Common Mission	8,000	5,100	2)
Safe Church Minister (Smith)	41,000	41,000	
Secretary of the Diocese (Logan)	<u>8,000</u>	<u>8,200</u>	
Total Housing Allowance and Maintenance	299,700	283,000	
Pension/Social Security and Medicare Tax Reimbursement			
Diocesan Bishop (Doyle)	64,600	65,000	
Suffragan Bishop (Harrison)	42,200	44,000	
Suffragan Bishop (Fisher)	19,200	42,000	
Assisting Bishops	5,000	-0-	1)
Canon to the Ordinary (Normand)	37,000	37,600	
Canon for Formation (Newton)	34,400	35,100	
Canon for Common Mission	8,600	3,200	2)
Safe Church Minister (Smith)	34,700	35,100	
Secretary of the Diocese (Logan)	<u>2,800</u>	<u>3,100</u>	
Total Pension/Social Security Reimbursement	<u>248,500</u>	<u>265,100</u>	
Total Clergy Staff Compensation	<u>\$1,006,750</u>	<u>\$1,088,900</u>	

Notes:

- 1) There will be no assisting bishops during 2013 as a Suffragan is now in place.
- 2) The call for a Canon for Common Mission has been delayed until December 1, 2013.

THE EPISCOPAL DIOCESE OF TEXAS
2013 DIOCESAN BUDGET
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 FOR RECOMMENDATION TO THE 164TH DIOCESAN COUNCIL

Schedule B
Lay Staff Compensation

	2012 Adopted <u>Budget</u>	2013 Proposed <u>Budget</u>	
Lay Staff Compensation			
Lay Staff Salaries			
Diocesan Center Administrative Staff	\$1,003,500	\$1,004,600	
Diocesan Center Financial Staff	523,200	537,500	
Diocesan Center Ministry Staff	168,600	171,800	
Reserve for Salary Adjustment	<u>10,000</u>	<u>15,000</u>	
Total Lay Staff Salaries	1,705,300	1,728,900	1)
Pensions and Benefits	140,400	150,600	
Employer FICA	<u>130,900</u>	<u>132,300</u>	
Total Lay Staff Compensation	<u>\$1,976,600</u>	<u>\$2,011,800</u>	

Note:

- 1) The lay staff will receive a 2.5% Cost of Living increase for 2013. There is a reduction of one-half of a full time staff position in the budget due to a retirement.

THE EPISCOPAL DIOCESE OF TEXAS
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Schedule C
Diocesan Center Operating Expense

	2012 Adopted <u>Budget</u>	2013 Proposed <u>Budget</u>	
Diocesan Center Operating Expense			
General Office Expense			
Office Equipment – Supply, Lease & Maint.	\$ 70,000	\$ 60,000	
Communications	55,000	55,000	
Office Supplies & Printing Expenses	40,000	43,000	
Postage, Shipping, & Delivery	30,000	32,500	
Payroll Processing Expense	8,000	8,500	
Miscellaneous Office Expense	9,000	9,000	
Depreciation – Equipment	<u>37,000</u>	<u>29,000</u>	1)
Total General Office Expense	249,000	237,000	
Headquarters Operating Expense			
Utilities	80,000	75,000	
Rent – Austin Office	65,000	65,000	
Janitorial, Maintenance, & Repair	95,000	95,000	
Interest and Bank Fees	10,000	12,000	
Storage	21,000	25,000	
Miscellaneous Operating Expense	<u>4,000</u>	<u>4,000</u>	
Total Headquarters Operating Expense	275,000	276,000	
Other Expense			
Information Technology	179,000	183,000	
Depreciation – IT Equipment	42,000	37,500	1)
Depreciation – Internal Software	-0-	50,000	2)
Database Services – Raiser's Edge	8,000	-0-	2)
Administrative Contingencies	15,000	15,000	
Contract Assistance	10,000	10,000	
Interest – Vehicles	<u>6,000</u>	<u>3,000</u>	
Total Other Expense	260,000	298,500	
Total Diocesan Center Operating Expense	<u>\$784,000</u>	<u>\$811,500</u>	

Notes:

- 1) Decrease reflects equipment that has been fully depreciated.
- 2) This expense represents the cost recovery for development of SRS and database projects. The in-house database has replaced Raiser's Edge, and we are no longer paying an outside vendor for this software.

THE EPISCOPAL DIOCESE OF TEXAS
2013 DIOCESAN BUDGET
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Schedule D
Business and Travel Expense

	2012 Adopted <u>Budget</u>	2013 Proposed <u>Budget</u>	
Business and Travel Expense			
Clergy Staff			
Diocesan Bishop (Doyle)	\$ 75,000	\$ 60,000	1)
Suffragan Bishop (Harrison)	42,000	35,000	1)
Suffragan Bishop (Fisher)	17,500	40,000	
Assisting Bishop	5,000	-0-	
Canon to the Ordinary (Normand)	25,000	35,000	2)
Canon for Formation (Newton)	27,500	25,000	1)
Canon for Common Mission	6,000	6,000	
Safe Church Minister (Smith)	7,000	7,000	
Secretary of the Diocese (Logan)	2,700	1,500	
Diocesan Bishops, Retired	12,000	21,000	
Mission Clergy Travel	17,500	35,000	3)
Depreciation – Vehicles, Clergy	<u>21,000</u>	<u>37,500</u>	4)
Total Clergy Staff	258,200	303,000	
Lay Staff			
Ministry Staff	39,000	42,000	1)
Financial Staff	36,000	39,000	
Administrative Staff	<u>8,000</u>	<u>10,000</u>	
Total Lay Staff	<u>83,000</u>	<u>91,000</u>	
Total Business and Travel Expense	<u>\$341,200</u>	<u>\$394,000</u>	

Notes:

- 1) 2012 included travel expenses for General Convention.
- 2) Increase is due to increased travel by the Canon for transition ministry.
- 3) Mission clergy travel is moving into the Diocesan Budget over a period of 3 years to better align the Missionary Budget with outreach and evangelism. This is year 3 of that process.
- 4) Increase due to purchase of new vehicles for Bishops in 2012.

THE EPISCOPAL DIOCESE OF TEXAS
2013 DIOCESAN BUDGET
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Schedule E
Canonical and Administrative Expense

	<u>2012</u> <u>Adopted</u> <u>Budget</u>	<u>2013</u> <u>Proposed</u> <u>Budget</u>	
Canonical and Administrative Expense			
Canonical Support for Presiding Bishop's Office	\$100,000	\$100,000	
Legal Expense	80,000	100,000	1)
<i>Texas Episcopalian</i> – Postage Expense	27,000	30,000	
<i>Texas Episcopalian</i> – Printing Expense	50,000	52,500	
<i>Texas Episcopalian</i> – Editorial Expense	20,000	20,000	
Safe Church Ministry – Safeguarding Programs	29,250	29,250	
Safe Church Ministry – Background Checks	8,000	8,000	
<i>Journal</i> Expense	5,000	3,000	
Election and Consecration of Bishop Suffragan	60,000	-0-	
General Convention Delegates	35,000	-0-	
Diocesan Audit	27,000	27,000	
Provincial Synod Assessment	13,275	13,500	
Support for University of the South	5,500	8,000	
Archives	2,000	2,000	
Episcopal Assistance	6,000	6,000	
Austin Area Inter-religious Ministries	6,000	6,000	
Texas Conference of Churches	5,000	5,000	
Millennium Development Goals	37,260	39,050	
Interfaith and Ecumenical Work	5,000	8,000	
Calling and Moving Clergy	10,000	30,000	2)
New Mission Work	45,000	55,000	2)
Bishop's Program Contingency	35,000	40,000	2)
Contingency for Budget Shortages	7,500	-0-	
Provincial Synod Delegates	<u>-0-</u>	<u>-0-</u>	
Total Canonical and Administrative Expense	<u>\$618,785</u>	<u>\$582,300</u>	

Notes:

- 1) Legal expense has been increased as a result of experience in 2012.
- 2) These items are being moved into the Diocesan Budget from the Missionary Budget to better align the Missionary Budget with evangelism and outreach. 2013 is year 3 of that transition. They were included in Committee Expense in 2012.

THE EPISCOPAL DIOCESE OF TEXAS
2013 DIOCESAN BUDGET
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Schedule F
Commission and Committee Expense

	2012 Adopted <u>Budget</u>	2013 Proposed <u>Budget</u>	
Commission and Committee Expense			
Congregational Development			
Consultants	\$123,000	\$130,500	
Conferences	18,000	29,300	1)
Newcomer Ministry	-0-	6,000	2)
Vestry & Warden's Conferences	-0-	12,500	2)
Conferences/Clergy Gatherings			
October Clergy Conference	91,500	93,500	
Various other conferences	28,500	26,500	
Council expenses	10,000	12,000	
Retired Clergy Conference & Retreat	8,000	18,000	3)
Lay Ministry Conference	15,000	25,000	4)
IONA			
School for Ministry	125,000	125,000	
Clericus	-0-	20,000	2)
Curate Camp	15,000	15,000	
Clergy Continuing Ed General	4,500	2,400	
Clergy Continuing Ed Scholarships	1,500	-0-	
Mission Funding	36,000	50,000	5)
Commission on Ministry	40,000	40,000	
Christian Formation	45,000	47,000	
Communications	25,000	25,000	
Stewardship Department	20,000	-0-	
Executive Board	10,000	10,000	
Chaplains to the Retired	12,000	12,000	
Standing Committee	<u>3,000</u>	<u>3,000</u>	
Total Commission and Committee Expense	<u>\$631,000</u>	<u>\$702,700</u>	

Notes:

- 1) Increase to support new clergy groups for church planters and new rectors.
- 2) Represents costs to support the meetings of these groups. Costs were previously covered by fees.
- 3) In prior years this expense was offset against revenues at Camp Allen. Revenue is reported in 2013.
- 4) Reflects increased participation at the conference that will include stewardship, evangelism, and outreach.
- 5) Mission funding will have a coordinator for all of 2013 due to the delay in hiring the Canon for Common Mission.

THE EPISCOPAL DIOCESE OF TEXAS
2013 MISSIONARY BUDGET
 AS APPROVED BY THE EXECUTIVE BOARD
 FOR RECOMMENDATION TO THE 164TH DIOCESAN COUNCIL

NOTE

*The 2013 Missionary Commitments presented below are as of **December 20, 2012**. The “**2013 Committed To-Date**” column represents responses from 98 churches, which is fewer churches than last year at this same time although responses are generally higher.*

We expect responses from the remainder of the congregations within the Diocese and will present the final Missionary Budget reflecting those responses at the pre-Council meetings and Diocesan Council.

	<u>2012 Adopted Budget</u>	<u>2013 Requested Budget</u>	<u>2013 Committed To-Date</u>
Revenue and Support			
Current Year Missionary Commitments–Net	\$2,067,394		\$1,542,600
Program Revenues	60,500		60,500
Miscellaneous Income	<u>6</u>		<u>-0-</u>
Total Revenue and Support	<u>\$2,127,900</u>		<u>\$1,603,100</u>
Expenditures			
Missions	\$1,252,710	\$1,685,300	\$ 993,173
Outreach and Evangelism	301,757	342,800	132,379
Formation Ministries	169,284	213,200	135,499
Bishop’s Mission and Program Contingency	15,000	35,000	14,730
Cooperative Projects	21,409	11,100	8,102
National Church Response	359,740	1,392,800	311,007
Budget Shortages	<u>8,000</u>	<u>75,000</u>	<u>8,210</u>
Total Expenditures	<u>\$2,127,900</u>	<u>\$3,755,200</u>	<u>\$1,603,100</u>

THE EPISCOPAL DIOCESE OF TEXAS
2013 MISSIONARY BUDGET
AS APPROVED BY THE EXECUTIVE BOARD
FOR RECOMMENDATION TO THE 164TH DIOCESAN COUNCIL

	2012 Adopted Budget	2013 Requested Budget	2013 Committed To-Date	
Breakdown of Program Funding				
Missions				
Mission Clergy Travel	\$ 29,963	\$ 15,000	\$ 2,000	DB
Calling and Moving Clergy	15,000	10,000	1,500	DB
New Mission Work	13,440	30,000	10,350	DB
Austin, St. Mary Magdalene	140,000	150,000	112,797	
Austin, St. Julian of Norwich	140,000	150,000	112,797	
Houston/Alief, Christ the King	33,000	22,000	22,000	PHO
Austin, San Francisco de Asis	75,000	90,000	90,000	
Houston, Santa Maria Virgen	68,000	70,000	65,000	
Houston, Lord of the Streets	46,000	42,000	34,383	PHO
Houston, San Pablo	65,000	85,000	75,000	
Houston, St. Alban's	67,500	70,000	70,000	
Houston, St. Barnabas'	-0-	35,000	250	
Tyler, St. John the Baptist	15,000	15,300	15,300	
Waco, Baylor University	50,000	55,000	33,988	
Houston, Rice University and the Texas Medical Center Schools	84,000	90,000	90,000	
College Station, Texas A&M University	127,500	180,000	97,857	
Austin, University of Texas	120,000	160,000	97,857	
Campus Missions within the Diocese	116,638	350,000	36,831	
Prison Missions within the Diocese	46,669	66,000	25,263	
Total Missions	<u>\$1,252,710</u>	<u>\$1,685,300</u>	<u>\$993,173</u>	
Outreach and Evangelism				
Children at Risk Camp Allen Scholarship	\$ 40,576	\$ 41,400	\$ 23,208	
Community of the Streets	13,429	6,700	6,700	PHO
El Buen Samaritano	14,917	7,500	7,500	PHO
Episc. Community Outreach Ministries	25,000	90,000	4,600	
St. Vincent's House	35,427	26,600	22,980	PHO
Seafarers' Ministry	56,800	42,600	42,600	PHO
World Mission	26,608	33,000	10,437	
Millennium Development Goals	49,000	55,000	9,159	
Companion Diocese of Southern Malawi	40,000	40,000	5,195	
Total Outreach and Evangelism	<u>\$301,757</u>	<u>\$342,800</u>	<u>\$132,379</u>	

See accompanying notes

THE EPISCOPAL DIOCESE OF TEXAS
2013 MISSIONARY BUDGET
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FOR RECOMMENDATION TO THE 164TH DIOCESAN COUNCIL

	2012 Adopted Budget	2013 Requested Budget	2013 Committed To-Date	
Breakdown of Program Funding (continued)				
Formation Ministries				
Addiction Recovery	\$ 8,155	\$ 7,700	\$ 5,580	
Commission on Black Ministry	6,601	10,000	5,300	
Commission for Hispanic Ministries	5,290	10,000	3,300	
Iona Center	19,092	10,000	16,000	DB
Intercultural Ministry	30,000	100,000	13,227	
Liturgical Commission	273	1,000	820	
Music Commission	17,300	10,300	17,494	
Spiritual Formation	22,573	9,200	20,420	
Youth Ministry	60,000	55,000	53,358	
Total Diocesan Support Ministries	<u>\$169,284</u>	<u>\$213,200</u>	<u>\$135,499</u>	
Bishop's Mission & Program Contingency				
Support for Congregations	\$ 10,000	\$ 20,000	\$ 7,230	
Program	5,000	5,000	5,000	
Vocational Counseling and Support	-0-	2,500	2,500	
Coaches and Consultants	-0-	5,000	-0-	
Consultants for Schools	-0-	2,500	-0-	
Total Bishop's Mission and Program	<u>\$ 15,000</u>	<u>\$ 35,000</u>	<u>\$ 14,730</u>	DB
Cooperative Projects				
Epiphany Community Health Outreach Service (ECHOS)	\$ 4,800	\$ 2,500	\$ 2,500	PHO
Health Outreach for People in East Texas (the Hope Project)	5,009	2,600	1,502	PHO
Iglesia El Buen Pastor, Piedras Negras	3,600	1,900	-0-	PHO
Matagorda Episcopal Hospital Outreach Program (MEHOP)	8,000	4,100	4,100	PHO
Total Cooperative Projects	<u>\$ 21,409</u>	<u>\$ 11,100</u>	<u>\$ 8,102</u>	

See accompanying notes

THE EPISCOPAL DIOCESE OF TEXAS
2013 MISSIONARY BUDGET
 AS APPROVED BY THE EXECUTIVE BOARD
 FOR RECOMMENDATION TO THE 164TH DIOCESAN COUNCIL

	<u>2012 Adopted Budget</u>	<u>2013 Requested Budget</u>	<u>2013 Committed To-Date</u>
Breakdown of Program Funding <i>(continued)</i>			
National Church Response	<u>\$ 359,740</u>	<u>\$1,392,800</u>	<u>\$ 311,007</u>
Budget Shortages	<u>\$ 8,000</u>	<u>\$ 75,000</u>	<u>\$ 8,210</u>
Total Program Funding	<u>\$2,127,900</u>	<u>\$3,755,200</u>	<u>\$1,603,100</u>

NOTES

- PHO - This ministry is being phased out of the Missionary Budget in an effort to create space for new ministries and outreach.**
- DB - This budget item is being moved into the Diocesan Budget over 3 years. This movement will better align the Missionary Budget with outreach and evangelism and put administrative and overhead items into the Diocesan Budget. 2013 is year 3 of that transfer between budgets.**

Budget Formula Report

Outlined below is the budget formula used to determine the Diocesan Assessment and Missionary Commitment Asking for each parish and mission in the Diocese of Texas. This formula was passed by the 143rd Council. Please note that break points used for Formula (B) were indexed for inflation. Also note the minimum and maximum (floor and ceiling) Formula (B) percentages. Any questions you may have regarding these calculations can either be addressed to my office or asked at the pre-Council convocational meetings.

Robert J. Biehl, Treasurer

1. Part (A) – The Insurance Formula

GOAL: To allocate equitably to parishes and missions the insurance program costs for the diocesan clergy and families, retired clergy and spouses, diocesan lay employees, and spouses of deceased clergy.

METHOD:

A. Create an annual Program Cost Factor (PCF) as follows:

PCF = Total Insurance Cost divided by the sum of:

- (1) Total Parish Operating Revenue (*Note 1*) plus
- (2) 75% of Total Mission Operating Revenue

B. Allocate health insurance cost to individual congregations as follows:

- (1) **Parishes** – Insurance Assessment (IA) =
Parish Operating Revenue x PCF
- (2) **Missions** – Insurance Assessment (IA) =
75% x Mission Operating Revenue x PCF

2. Part (B) – Diocesan Budget and Missionary Asking

GOAL: To allocate equitably to parishes and missions the monies that will be used to fund the Diocesan Budget.

METHOD:

A. Multiply Total Operating Revenue by the Percentage Factor (PF) using the break points noted below to determine the Maximum Formula (B) (MFB):

2013 Base Percentage
(1993 level times 200.5/116.1)

<u>Total Operating Revenue</u>		<u>PF</u>
UP TO & EQUAL TO	43,172	13.75%
43,173	86,346	14.75%
86,347	172,694	15.25%
172,695	345,390	15.75%
345,391	518,086	16.25%
518,087	1,036,174	16.75%
1,036,175	1,726,958	17.25%
EQUAL TO & OVER	1,726,959	17.75%

The seven break points shall be adjusted annually by an amount equal to the change in Consumer Price Index (CPI). The adjustment factor used to calculate 2013 break points was reset based on the actual reported difference between the CPI in 2012 (200.5) and 1993 (116.1).

B. Determine the Formula (B) Request (FBR) – the MFB of the current year is compared to the MFB of the preceding year and adjusted, if necessary, so as not to increase more than 10 percent or decrease more than 10 percent. Under no circumstances, however, is the current year MFB to constitute less than 10 percent or more than 20 percent of a church's Operating Revenue.

C. Allocate FBR to the Diocesan Budget support and Missionary Budget support:

- (1) Part (2) of the Diocesan Assessment = $FBR \times 35.221\%$
- (2) Missionary Commitment Asking = $FBR \times 64.779\%$

THE DIOCESAN OBLIGATION = $(FBR \times 35.221\%) + IA$

THE MISSIONARY COMMITMENT ASKING = $FBR \times 64.779\%$ (Note 2)

NOTES:

- 1) The Operating Revenue used for both Formula (A) and Formula (B) is the parish's operating revenue (as reported in their parochial report) for the year that is two years before the budget year. (For 2013, the Operating Revenue used was that of 2011.)
- 2) For 2013 the Executive Board divided the Missionary Asking between the Asking for The Episcopal Church (11.314%), the Diocesan Missionary Asking (19.189%) and Local Outreach Asking (34.276%). In contrast to prior years, the Diocesan Asking was exactly equal to the amounts requested in the Mission Funding Catalogue.

2013 Diocesan Assessments & Missionary Askings

PARISHES	<u>2011 Operating Revenue</u>	<u>2013 Base Percent</u>	<u>2013 Insurance Assessment</u>	<u>2013 Diocesan Assessment</u>	<u>2013 Missionary Asking</u>
Alvin, Grace	224,486	15.75%	13,684	12,453	22,904
Angleton, Holy Comforter	217,057	15.75%	13,231	11,796	21,695
Atascocita, Christ the King	227,425	15.75%	13,863	11,664	21,453
Austin, All Saints'	1,055,131	17.25%	64,317	64,106	117,904
Austin, Good Shepherd	1,863,730	17.75%	113,606	116,515	214,297
Austin, Resurrection	287,633	15.75%	17,533	14,824	27,263
Austin, St. Alban's	345,898	16.25%	21,085	19,797	36,411
Austin, St. Christopher's	143,649	15.25%	8,756	7,716	14,190
Austin, St. David's	2,304,410	17.75%	140,469	144,065	264,968
Austin, St. George's	238,911	15.75%	14,563	13,253	24,375
Austin, St. James'	667,208	16.75%	40,671	34,698	63,818
Austin, St. John's	201,317	15.75%	12,272	11,168	20,539
Austin, St. Luke's on the Lake	887,872	16.75%	54,121	52,380	96,339
Austin, St. Mark's	498,037	16.25%	30,359	28,505	52,426
Austin, St. Matthew's	1,238,315	17.25%	75,483	75,235	138,374
Austin, St Michael's	774,628	16.75%	47,219	44,559	81,954
Bastrop, Calvary	279,924	15.75%	17,063	15,528	28,560
Bay City, St. Mark's	244,085	15.75%	14,879	13,540	24,903
Baytown, Trinity	616,987	16.75%	37,609	36,205	66,588
Beaumont, St. Mark's	1,300,908	17.25%	79,299	74,083	136,254
Beaumont, St. Stephen's	567,046	16.75%	34,565	33,453	61,527
Bellaire, San Mateo	267,287	15.75%	16,293	14,827	27,271
Bellville, St. Mary's	152,616	15.25%	9,303	8,197	15,077
Belton, St. Luke's	92,952	15.25%	5,666	4,993	9,182
Brenham, St. Peter's	337,968	15.75%	20,601	18,748	34,482
Bryan, St. Andrew's	509,319	16.25%	31,046	28,047	51,583
Burnet, Epiphany	228,997	15.75%	13,959	11,524	21,195
Cedar Park, Christ Church	266,405	15.75%	16,239	11,665	21,455
College Station, St. Francis'	177,057	15.75%	10,793	9,822	18,064
College Station, St. Thomas'	554,987	16.75%	33,830	28,882	53,120
Columbus, St. John's	46,671	14.75%	2,845	2,728	5,017
Conroe, St. James the Apostle	559,156	16.75%	34,084	30,938	56,901
Dickinson, Holy Trinity	216,400	15.75%	13,191	11,188	20,578
Eagle Lake, Christ Church	128,355	15.25%	7,824	6,894	12,680
Freeport, St. Paul's	42,665	13.75%	2,601	2,620	4,818
Friendswood, Good Shepherd	525,573	16.75%	32,037	31,006	57,027
Galveston, Grace	275,818	15.75%	16,813	15,300	28,141
Galveston, Trinity	635,675	16.75%	38,748	32,218	59,255

PARISHES (continued)	2011 Operating Revenue	2013 Base Percent	2013 Insurance Assessment	2013 Diocesan Assessment	2013 Missionary Asking
Georgetown, Grace	536,406	16.75%	32,697	25,204	46,355
Hempstead, St. Bartholomew's	85,824	14.75%	5,232	4,459	8,200
Henderson, St. Matthew's	280,991	15.75%	17,128	9,897	18,202
Houston, Ascension	603,091	16.75%	36,762	35,579	65,439
Houston, Christ Church Cathedral	3,265,556	17.75%	199,057	204,154	375,482
Houston, Emmanuel	594,947	16.75%	36,266	35,099	64,555
Houston, Epiphany	543,767	16.75%	33,146	32,080	59,001
Houston, Holy Spirit	1,116,766	17.25%	68,074	61,155	112,478
Houston, Hope	157,364	15.25%	9,592	8,452	15,546
Houston, Palmer Memorial	2,222,945	17.75%	135,503	138,972	255,601
Houston, St. Andrew's	310,005	15.75%	18,897	17,197	31,629
Houston, St. Barnabas'	101,048	15.25%	6,160	4,364	8,026
Houston, St. Christopher's	345,483	16.25%	21,059	19,773	36,368
Houston, St. Cuthbert's	702,153	16.75%	42,801	41,424	76,187
Houston, St. Dunstan's	1,221,180	17.25%	74,439	74,194	136,460
Houston, St. Francis'	1,721,017	17.25%	104,907	78,014	143,486
Houston, St. James'	496,025	16.25%	30,236	28,390	52,214
Houston, St. John the Divine	6,334,852	17.75%	386,150	396,038	728,398
Houston, St. Luke the Evangelist	74,884	14.75%	4,565	4,327	7,957
Houston, St. Mark's	691,344	16.75%	42,142	36,721	67,539
Houston, St. Martin's	9,233,696	17.75%	562,848	577,216	1,061,765
Houston, St. Mary's	442,746	16.25%	26,988	25,711	47,288
Houston, St. Stephen's	787,179	16.75%	47,984	41,763	76,812
Houston, St. Thomas'	596,133	16.75%	36,338	35,169	64,683
Houston, St. Thomas the Apostle	512,608	16.25%	31,247	29,339	53,960
Houston, St. Timothy's	160,438	15.25%	9,780	9,088	16,715
Houston, Trinity	1,029,331	16.75%	62,744	62,516	114,982
Huntsville, St. Stephen's	226,289	15.75%	13,794	12,553	23,088
Jasper, Trinity	81,441	14.75%	4,964	4,103	7,545
Katy, Holy Apostles'	1,233,579	17.25%	75,195	52,105	95,833
Katy, St. Paul's	251,924	15.75%	15,356	12,303	22,629
Kilgore, St. Paul's	73,608	14.75%	4,487	4,269	7,852
Killeen, St. Christopher's	278,273	15.75%	16,963	15,437	28,391
Kingwood, Good Shepherd	939,013	16.75%	57,239	56,521	103,954
Lago Vista, St. Peter's	48,599	14.75%	2,962	2,594	4,771
La Grange, St. James'	274,449	15.75%	16,729	14,987	27,565
Lake Jackson, St. Timothy's	491,414	16.25%	29,955	28,126	51,729
La Marque, St. Michael's	202,930	15.75%	12,370	11,257	20,704
Lampasas, St. Mary's	140,168	15.25%	8,544	7,529	13,847
La Porte, St. John's	293,068	15.75%	17,864	16,314	30,005

	<u>2011 Operating Revenue</u>	<u>2013 Base Percent</u>	<u>2013 Insurance Assessment</u>	<u>2013 Diocesan Assessment</u>	<u>2013 Missionary Asking</u>
PARISHES (continued)					
League City, St. Christopher's	515,742	16.25%	31,438	29,518	54,290
Liberty, St. Stephen's	204,368	15.75%	12,458	11,337	20,851
Livingston, St. Luke's	174,577	15.75%	10,642	9,684	17,812
Longview, St. Michael & All Angels	152,369	15.25%	9,288	8,184	15,052
Longview, Trinity	742,456	16.75%	45,257	43,801	80,560
Lufkin, St. Cyprian's	546,830	16.75%	33,333	32,260	59,334
Marble Falls, Trinity	319,951	15.75%	19,503	17,749	32,643
Marlin, St. John's	67,978	14.75%	4,144	3,786	6,962
Marshall, Trinity	507,197	16.25%	30,917	29,029	53,391
Nacogdoches, Christ Church	397,913	16.25%	24,255	22,774	41,887
Navasota, St. Paul's	77,987	14.75%	4,754	5,494	10,103
Orange, St. Paul's	120,474	15.25%	7,344	7,618	14,011
Palestine, St. Philip's	257,117	15.75%	15,673	13,746	25,281
Pearland, St. Andrew's	444,965	16.25%	27,123	25,467	46,840
Port Neches, Holy Trinity	189,836	15.75%	11,572	10,531	19,368
Prairie View, St. Francis of Assisi	79,300	14.75%	4,834	4,167	7,664
Richmond, Calvary	456,265	16.25%	27,812	26,114	48,029
Richmond, St. Mark's	209,761	15.75%	12,786	7,388	13,588
Round Rock, St. Richard's	434,823	16.25%	26,505	24,887	45,772
Sealy, St. John's	75,344	14.75%	4,593	4,573	8,411
Spring, Holy Comforter	292,843	15.75%	17,851	16,403	30,169
Stafford, All Saints'	390,196	16.25%	23,785	22,333	41,074
Sugar Land, Holy Cross	490,883	16.25%	29,922	28,095	51,673
Temple, Christ Church	470,891	16.25%	28,704	26,951	49,569
Temple, St. Francis'	208,051	15.75%	12,682	11,541	21,227
Texas City, St. George's	147,989	15.25%	9,021	7,949	14,619
Tomball, Good Shepherd	316,378	15.75%	19,285	17,550	32,280
The Woodlands, Trinity	1,348,255	17.25%	82,185	81,915	150,659
Tyler, Christ Church	1,297,528	17.25%	79,093	76,691	141,053
Tyler, St. Francis'	228,176	15.75%	13,909	12,658	23,280
Waco, Holy Spirit	258,850	15.75%	15,779	14,359	26,410
Waco, St. Alban's	484,025	16.25%	29,504	25,737	47,335
Waco, St. Paul's	1,187,541	17.25%	72,388	71,734	131,936
West Columbia, St. Mary's	192,933	15.75%	11,760	8,235	15,147
Wharton, St. Thomas'	248,602	15.75%	15,154	13,791	25,364
<u>PARISH TOTAL</u>	<u>\$ 71,443,486</u>		<u>\$ 4,354,937</u>	<u>\$ 4,153,582</u>	<u>\$ 7,639,473</u>

	<u>2011 Operating Revenue</u>	<u>2013 Base Percent</u>	<u>2013 Insurance Assessment</u>	<u>2013 Diocesan Assessment</u>	<u>2013 Missionary Asking</u>
MISSIONS					
Anahuac, Trinity	36,167	13.75%	1,653	1,752	3,221
Austin, San Francisco De Asis	66,861	14.75%	3,057	3,473	6,389
Austin, St. Julian of Norwich	174,162	15.75%	7,962	6,750	12,414
Calvert, Epiphany	13,451	13.75%	615	696	1,280
Cameron, All Saints'	59,156	14.75%	2,704	3,073	5,653
Carthage, St. John's	66,062	14.75%	3,020	3,432	6,312
Center, St. John's	32,412	13.75%	1,482	1,570	2,887
Copperas Cove, St. Martin's	54,000	14.75%	2,469	2,508	4,612
Crockett, All Saints'	21,931	13.75%	1,003	1,201	2,210
Cypress, St. Aidan's	445,197	16.25%	20,353	16,694	30,704
Galveston, St. Augustine of Hippo	58,443	14.75%	2,672	2,548	4,687
Hearne, St. Philip's	4,001	13.75%	183	270	496
Hitchcock, All Saints'	42,185	13.75%	1,929	2,280	4,192
Houston (Alief), Christ the King	164,083	15.25%	7,501	8,813	16,210
Houston, Grace (St. Geo & Pats)	213,434	15.75%	9,758	12,706	23,368
Houston, Lord of the Streets	51,000	14.75%	2,332	2,649	4,874
Houston, Redeemer	170,076	15.25%	7,775	11,971	22,018
Houston , St. Paul's & San Pablo	225,645	15.75%	10,316	12,517	23,022
Houston, Santa Maria Virgen	263,341	15.75%	12,039	14,608	26,868
Houston, St. Alban's	147,192	15.25%	6,729	7,906	14,541
Jacksonville, Trinity	51,044	14.75%	2,334	2,652	4,877
Jefferson, Christ Church	35,163	13.75%	1,608	1,699	3,124
Leigh, St. Paul's	19,190	13.75%	877	1,352	2,486
Lindale, St. Luke's	63,389	14.75%	2,898	3,330	6,125
Madisonville, Holy Innocents'	25,508	13.75%	1,166	1,264	2,324
Matagorda, Christ Church	49,633	14.75%	2,269	2,880	5,296
Mexia, Christ Church	42,938	13.75%	1,963	2,223	4,090
Missouri City, St. Catherine's	260,508	15.75%	11,910	12,519	23,026
Palacios, St. John's	16,608	13.75%	759	1,170	2,152
Pasadena, St. Peter's	196,695	15.75%	8,992	10,911	20,068
Pflugerville, St. Paul's	76,315	14.75%	3,489	3,463	6,369
Rockdale, St. Thomas'	37,816	13.75%	1,729	1,918	3,527
San Augustine, Christ Church	45,707	14.75%	2,090	1,773	3,261
Silsbee, St. John's	122,427	15.25%	5,597	8,624	15,861
Taylor, St. James'	69,792	14.75%	3,191	3,601	6,624
Tyler, St. John the Baptist	36,863	13.75%	1,685	1,840	3,383
Woodville, St. Paul's	53,683	14.75%	2,454	3,782	6,955
MISSION TOTAL	<u>\$ 3,512,078</u>		<u>\$ 160,563</u>	<u>\$ 182,418</u>	<u>\$ 335,506</u>
GRAND TOTAL	<u>\$ 74,955,564</u>		<u>\$ 4,515,500</u>	<u>\$ 4,336,000</u>	<u>\$ 7,974,979</u>

Health Insurance

The Diocese of Texas purchases its health insurance coverage through the group medical plans offered by the Episcopal Church Medical Trust (an affiliate of the Church Pension Fund). These plans cover all eligible active clergy, retired clergy, surviving clergy spouses, diocesan lay employees, and the eligible dependents of each of these groups.

To active participants, the Diocese currently offers five Medical Trust Plans:

1. Cigna High Deductible Health Plan (HDHP)
2. Cigna POS (Open Access Plan)
3. Empire Blue Cross Blue Shield EPO 80 Plan
4. Empire Blue Cross Blue Shield PPO 75/50 Plan
5. Aetna HMO

Retired clergy and their surviving spouses on Medicare continue to be covered by Supplements to Medicare Part A and Part B that are offered by the Episcopal Church Medical Trust. The Diocese also provides a Mental Health Supplement that is administered through the Episcopal Church Medical Trust and an Employee Assistance Plan, which is available to all covered clergy and lay employees.

Overall, the cost of health insurance for the Diocese will rise by just over 3% in 2013. The average for the United States as a whole is expected to be more than 8%. This divergence in premium increases again validates the work and decisions of the Insurance Task Force both in adopting the HDHP plan in 2007 and in managing our health insurance coverages.

The Insurance Task Force made up of clergy, retired clergy, and laity from within the Diocese has continued its work on our benefit offerings and their cost throughout 2012. In addition, this group has been working to analyze the provisions of the Denominational Healthcare Plan (DHP) adopted by the 2009 General Convention. They will recommend to the Bishop policies and procedures for implementing the DHP in the Diocese of Texas. The Committee has made a series of recommendations to the Bishop, and he approved them in late 2011. The Task Force has begun studying what additional recommendations are now necessary due to the actions of General Convention in July. These recommendations will deal with the issue of parity as it applies to the Diocese and its churches. The members of that Task Force continue to be due a debt of thanks and gratitude for their efforts, insights, and continuing time commitment. Their guidance has assisted the Diocese in reducing the growth of our health care costs and the insurance portion of the Diocesan Assessments.

Please either call or e-mail Debra Klinger, Human Resources/Benefits Administrator, at (713) 353-2120 or 1 (800) 318-4452, ext. 2120, dklinger@epicenter.org for further information regarding health insurance. Debra serves as an invaluable resource and tireless servant to the clergy and laity of the Diocese.

Robert J. Biehl, Chair

Clergy Life Insurance

Effective January 1, 2009, the Church Pension Fund increased the life insurance coverage available to clergy and began providing up to \$100,000 in life insurance for all eligible, active clergy. This increased benefit generates imputed taxable income to the

clergy person under the Internal Revenue Code. Churches will need to include this amount on the clergy person's W-2 each year.

I want to emphasize how extremely important it is that pension assessments be paid currently for all active clergy. Failure to do so by their parishes could result in the loss of this important life insurance benefit to the clergy. If the pension assessments for a priest are in arrears by more than six months and the priest should die, the life insurance benefit will not be paid.

The Church Pension Fund also provides up to \$50,000 in life insurance for all eligible, retired clergy, or if the clergy person has 25 years of credited service, the retired clergy will continue to receive \$100,000 of life insurance.

Since 2002, supplemental Life Insurance has been offered to all active clergy and lay employees under the age of sixty-five. This plan offers the option to purchase supplemental term life insurance for the eligible clergy person or lay employee up to three times the life insurance benefit the Diocese provides. Or, you may purchase in increments of \$50,000 to a maximum of \$500,000 of coverage. Spousal coverage is based on the same calculation; however, it is limited to a maximum coverage of \$240,000. Clergy and lay employees will be responsible for the premiums, and you may apply at date of hire. Premiums are based upon age and change in five-year increments. The supplemental term life insurance will be automatically reduced by 50% at age sixty-five, and terminates at age seventy. For more information, please call or e-mail Debra Klinger, Human Resources/Benefits Administrator at the Diocesan Center at (713) 353-2120 or 1 (800) 318-4452, extension 1012, dklinger@epicenter.org.

Robert J. Biehl, Chair

Pensions

Each year, the Church Pension Fund provides a report of individuals in every diocese currently receiving benefits from the fund. This is the record of Benefits in Force in our diocese.

The Pension Fund's total net assets at March 31, 2012, were over \$9.7 billion, representing an increase of about \$163 million this year. These assets are in excess of the required reserves by \$597 million. The Pension Fund paid out a total of \$287,052,000 in pensions and other benefits during fiscal year 2012.

The following table delineates the beneficiaries receiving benefits in each of the two fiscal years, each ending March 31:

<u>Beneficiaries</u>	<u>2012</u>	<u>2011</u>
Retired Clergy		
Normal Retirement	3,531	3,457
Early Retirement	3,497	3,426
Disability Retirement	462	459
Surviving Spouses	<u>2,577</u>	<u>2,576</u>
TOTAL	10,067	9,918

As the number of retirees increases in every diocese, the Church Pension Fund, through its Ministry to the Retired, is available to assist Chaplains designated by our Bishop in the ministry established in our diocese. Through personal contact and educational services, they are willing to assist the Chaplains in interpreting pension

benefits as well as introduce proven programs for ministry to and with the retired. The Church Pension Fund, in conjunction with the Diocese, provides training to enhance the pastoral ministry of these chaplains. The Church Pension Fund's Department of Pastoral Care and Education continues to offer Planning for Tomorrow Conferences, presented in each diocese every five years.

Churches are reminded that a 30% annual housing factor is in force when computing the pension base when the clergy person lives in a house owned by the church. Amounts reimbursed to clergy for payment of their self-employment Social Security form part of the pension base along with salary, housing, and utility allowances. Forms for calculation of clergy pension are available on the Diocesan Web site.

Church treasurers should promptly notify the Church Pension Fund office of all changes in compensation paid to their clergy staff. Quarterly Pension assessment statements are issued by the Church Pension Fund office, 445 Fifth Avenue, New York, NY 10016, and are based upon information on file with that office. Each source of clergy compensation has the responsibility of posting changes as they occur. However, the clergy should also review their reports from the Pension Fund to ensure the accuracy and timeliness of the amounts remitted to the Church Pension Fund. Delay in reporting changes results in retroactive adjustments, which are sometimes difficult to manage. In addition, adjustments can only be made for the previous two years, so failure to report adjustments could result in lower pension bases and therefore pensions at retirement. Should you have any questions or seek any information, the telephone number for the Church Pension Group is 1 (866) 802-6333, or you may contact Debra Klinger in our office at (713) 353-2120 or dklinger@epicenter.org.

Robert J. Biehl, Chair

Property Insurance

Nearly all congregations within the Diocese insure their real and personal property with the Church Insurance Company and their product partners. Parishes, missions, and entities within the Diocese are free to insure their property with any reputable company of their choice so long as the coverages afforded are in accordance with Canon Section 20.2. This Canon requires that the coverages afforded under policies purchased from outside sources be comparable to those from the Church Insurance Company in the Diocesan master policy.

We recommend an annual review of your insurance coverage for general liability, sexual misconduct, non-owned auto, worker's compensation, director's and officer's liability, and umbrella liability provisions. A Blanket Crime provision covers theft within churches with a \$25,000 limit. (Additional coverage is available at the church's expense.) Specific entities may find that they require other more expanded coverages to protect fine art, stained glass, vestments, or other valuable church property. Church Insurance protects their insureds with all these coverages through the Diocesan master policy. They are also available to assist in reviewing your coverage.

Church Insurance Agency has obtained product partners to provide quality coverage in a number of areas at more affordable rates for products such as director's and officer's and umbrella liabilities. This coverage is recommended by the Diocese. For information and assistance with insurance through the Church Insurance Company, please contact our agent in Dallas, Mr. John Scheffler, Vice President of Client

Services, at (972) 355-0927 or via e-mail to JScheffler@cpq.org. You may also contact David Fisher in our offices at (713) 353-2109 or dfisher@epicenter.org.

Robert J. Biehl, Chair

Division of Stewardship

(No Report Received)

General Funds Appeal

There has been no activity required of this committee in 2012.

David Bollinger, Chair

CONGREGATIONAL DEVELOPMENT AND CONVOCATIONS UNIT

Congregational Development

The congregational development efforts of the Diocese of Texas are grounded in the diocesan core values, mission and vision. The emphasis is a missionary one, which seeks to unify our churches around building the kingdom of God together. The diocesan efforts are collaborative in nature. It is a team approach under the lead of Mary MacGregor, Director of Evangelism and Congregational Development. The team includes Bishops Doyle, Harrison, and Fisher, Canon Normand, Treasurer Bob Biehl, Director of Foundations David Fisher, and Bob Schorr, Director of Church Plants and Strategic Development. They are assisted by two administrative staff, Julie Heath and Rebecca Nelson-Gomez. Their work is to assist congregational leaders in a variety of ways to support their vitality and mission.

2012 saw an integration of resources, training, and on-the-ground consultation to assist our congregations' roles in the diocesan vision of growing and forming. Evangelism is being emphasized, particularly through the diocesan training focused on Newcomer Ministry. Mary Parmer led 8 training sessions in Houston and Austin around the congregational work of Invitation, Welcome, and Connection. In alignment with this work has been the Strategic Mission Grants targeted for churches desiring intentionality around newcomer ministry. Congregations engaged in this work are having remarkable results in terms of new member growth. This emphasis will continue into the fall of 2013 with a designated Back to Church Sunday. This special event will be guided by Michael Harvey, founder of the movement from England, who will be with us in February at special meetings in Austin and Houston. In addition, the Greenfield Commission of the Diocese of Texas met on 5 occasions to discuss and focus on emerging opportunities for congregational starts. These efforts were complemented by the Church Plant Location Task Force which convened to provide initial input and guidance to the Bishop and diocese for the next phase of our living into the Great Commission. This group of clergy and laity are considering both new locations and strategic development opportunities in existing mission fields in the diocese.

A number of congregations have informally been designed redevelopment opportunities. The rectors and vicars of these congregations met with Mary MacGregor for peer learning and education for five one-day seminars in 2012 around different aspects of congregational development.

The Church Planters Group met quarterly, convened by Bob Schorr with the clergy leadership of St. Julian's of Norwich, Brushy Creek/Round Rock; St. Mary Magdalene, Manor – diocesan church plants begun in 2008 and 2009, respectively, and The Front Porch, Austin, and Between-the-Bayous, Houston. The Front Porch and Between-the-Bayous are Parochial Missions of All Saints', Austin, and St. Mark's, Bellaire, respectively. The group provides collegial support and shares ideas, celebrations, and challenges as they help grow emerging endeavors and new congregations.

In the fall of 2012, a Church Plant Location Task Force was convened to provide initial input and guidance to the Bishop and diocese for the next phase of our living into the Great Commission. This group of clergy and laity is considering both new locations and strategic development opportunities in existing mission fields.

Additional work in the congregational development office supports congregations with Master Planning, construction and renovation projects, and major facility and maintenance challenges. A significant project in this area was support for St. Luke's, Belton, and St. Joseph's Chapel, Salado, St. Luke's Parochial Mission, as they acquired additional property adjacent to the chapel in Salado and are working to concentrate their ministry in Bell County through the growing congregation of St. Joseph's.

The congregational development office also provides support and a liaison to the Commission on Hispanic Ministry and the Hispanic congregations in the diocese.

Every person on the congregational development team supports essential elements of congregational development. They readily go to all corners of the diocese to assist as needed as we work together as One Church in Mission.

Mary M. MacGregor, Chair

Division of Convocations

Austin Convocation

(No Report Received)

Central Convocation

(No Report Received)

Galveston Convocation

(No Report Received)

East Harris Convocation

(No Report Received)

West Harris Convocation

The West Harris Convocation met monthly at St. Christopher's, Houston, to share a meal, enjoy conversation, and offer support to those in congregational leadership. We did so with the facilitation of Bill Mack, a consultant and coach with Vistage. Heading into 2013, we plan to move our meetings to St. Martin's Church, Houston.

In September 2012, our Dean, the Rev. Christopher Bowhay, was called to St. George's Church, Nashville. We were sad to see the end of his tenure as Dean and as

Rector of St. Thomas', Houston, but remain deeply grateful for his years of service. We rejoice with him and Sally in their new chapter in life and ministry.

As the West Harris Convocation ends 2012, we welcome:

- The Rev. Chris Duncan, Rector, St. Paul's, Katy
- The Rev. Tom Hotchkiss, Vice-Rector, St. Martin's, Houston

As I assume the role of Dean, I look forward with anticipation to exploring how we can best use our meetings to serve and support the clergy of our convocation. My hope is that our meetings would be a place of grace and help in our vocations and lives.

Aaron Zimmerman, Dean

Northeast Convocation

The churches of the Northeast Convocation were pleased, this year, to play such an active role in the discernment, call, and consecration of Bishop Fisher. Our thanks go out to everyone who participated, and to the Diocese as a whole for trusting us with these important ministries. We are excited to have our new Bishop among us and look forward to a long and fruitful ministry partnership.

The clergy of the convocation continue to meet monthly during the program year (September through May) for conversation, prayer, and fellowship. This year, we turned the attention of our book study from the vocational reflection of Eugene Peterson's *The Pastor*, to a more traditional Bible study informed by N.T. Wright's *Following Jesus*.

As a convocation, we continue to seek creative and fun ways to join the dispersed Episcopalians of our region together in common mission. As the demographics of this corner of the diocese continue to change, it will become increasingly important for us to see ourselves as one Church in many places rather than many churches isolated throughout this Forest Country.

Arthur Callaham, Dean

Northwest Convocation

All Saints', Cameron

This year, we replaced the siding on the exterior of the church, probably for the first time since the church was built in 1906, and it looks great. We are also replacing the landscaping for a more aesthetic effect. However, we also held the first, of what we hope will be many, "The Church Has Left the Building" events. On that particular Sunday, we built a wheelchair ramp, cleaned, painted, and performed yard work for a local woman, who is not a member of the church.

The Blessing of the Animals in October was a tremendous success again this year with the usual number turning out. In the spring, we had hired a band for a Saturday night "Spring Fling" for the community, but the turnout was disappointing. Next year, we will sell tickets to raise money for the local senior center rather than offer a "free good." We will participate again in the community Christmas parade in December. We continue to provide support to recovery ministries with meeting space, and we open our Parish Hall to a community quilting group and a yoga class. We are constantly seeking ways to better serve the local community, especially those in need.

We were so pleased to sponsor three members at the June Cursillo, along with providing the Rector and some of the staff for the event. One adult member was baptized this year, and we continue to support many local and diocesan organizations

with donations. As usual, we thank God for our continued blessings and look forward to expanding our ministries in the coming year.

St. Martin's, Copperas Cove

2012 was a busy year for St. Martin's, signifying both gains and losses in our family of Christ. November began with a focus on helping people in "Cove" that needed the blessing of food...and people stepped up to the plate, and we ended up providing one bag from every church attendee—over 25 bags of food! Fr. Rich and Van (our new organist) helped distribute the bags to the hungry in our town. We entered Advent with an amazingly decorated church. Our caroling at the local nursing homes was much appreciated and the 11 p.m. Christmas Eve candlelight service was a great success. January ushered in new membership on our Bishop's Committee and a new focus. Late winter and early spring, we completed the Core Values/Mission/Vision process and came up with how we envisioned the church to "become" in Jesus' name over the next 3–5 years. Under Jim Keay's leadership, the Bishop Committee began to tackle major issues looming—primarily the drainage issues in the back of the church. Bids were taken, an engineer plan & a formal survey done, and we are awaiting the city's approval of the plan before bids can be taken to be able to do a permanent "fix" to the problem. Digging the "Panama Canal" has been a temporizing fix, allowing drainage from rain not to enter the Common Hall. The March Vestry Conference in Austin was well attended by our members, and we brought back a number of new ideas. April's diocesan-wide sharing of faith, accompanied by a delicious meal by our church "cooks," was a special event. While we lost our beloved organist for a while, we were able to welcome him again with open arms when he returned to the area in June. A rejuvenated ECW played an active role, supporting church activities and sponsoring a Cove family for Thanksgiving. We lost some good people in the summer turnover, but fortunately even more came and took their place, allowing a slow and progressive increase in ASA beginning in late summer. People were generous in offering themselves in ministry, and it was a special day when folks were installed. The arrival of Paulette, a 2nd-year Iona School of Ministry student (and her husband Larry), added both energy and depth (Larry & Paulette both play instruments). Adult/Child Sunday School, the Nursery, and other programs seem to be thriving this year, thanks be to God! I am humbled to be their Vicar.

Christ Church, Temple

The past year at Christ Church has been an eventful year in the life of the parish. At the start of the year, the rector returned to full time following a lengthy recovery from illness. The church was thankful to see things begin to return to normal and for the ministry of the Rev. J. Mark Wilburn, who so competently assisted the ministry of the congregation in the last couple of months of the year.

During Holy Week, the congregation returned to worship in the recently renovated 1905 building. The project of restoration and the rebuilding of the historic church took over 13 months, during which time, the church worshipped in the parish hall. The work encompassed an interior rebuild from below the ground (new foundation) to the roof. The south transept was tripled in size, balancing the work that had been done in the north transept some 30 years earlier. At the end of the project, the altar area of the

church was transformed from a traditional gothic revival chancel and sanctuary to a free-standing altar in the full sight of all worshippers.

This summer, the church welcomed a new deacon, the Rev. Mitch Tollett to the ministry staff. After three years at SSW, he and his family have moved into the rectory and have become very involved in the life of the Church and the School.

In August, our parish school, Christ Church School, welcomed a new interim head of school, Ms. Katherine Sullivant. Ms. Sullivant has had an extremely busy fall with the start of the new school year, followed closely by the accreditation visiting team from S.A.E.S. She has done a remarkable job.

At Christ Church, we eagerly look forward to a future with new facilities and new opportunities for discipleship and growth. With the Lord's help we will continue to know Christ and to make Him known.

St. Paul's, Waco

2012 found St. Paul's absorbing many of the things every parish in our diocese, dare say the nation, has been absorbing. The external environment has set a lot of the agenda for our common work in the Church. In one year, we have navigated General Convention and its decisions about many things, particularly same gender relationships. We have studied carefully and responded to the Bishop's *Unity in Mission* plan. Finally, we have gone through the election of a president for our country. All of these things are highly emotionally, and we, like most, have passionate opinions about them all. St. Paul's has navigated all of these in open and honest ways, and I must say, as rector, I am very proud of the intentional way in which our parish has addressed them.

More specific to St. Paul's in 2012, we enthusiastically welcomed two new full-time clergy staff members, the Rev. Josephine Robertson as Assistant Rector, and the Rev. Erin Jean Warde as Campus Missioner and Community Ministries at St. Paul's. Both are amazingly talented young clergy, and we are having a wonderful time getting to know them and beginning to do meaningful ministry together.

2012 was the second year of the implementation of a new Strategic Planning model. Building on a master plan adopted several years ago, 2011 and 2012 found us spending several weeks in the spring looking at one of the four Pillars of ministry that inform the work we do at St. Paul's. In 2012, we looked at the whole notion of Community; what it is, how it works, and what we might change or add that will enhance the work we do. Answers to these questions impact the way we invite, welcome, and incorporate new members. It also impacts the way we know one another and support one another as a community. Several new initiatives have been born out of this.

In 2013, we anticipate using this same model to address once again the Outreach Ministries of our parish. We will also look at models of infrastructure that may help us be more effective in incorporating new people into positions of leadership.

2012 also found the vestry of St. Paul's deeply committed to the fiscal health of the parish. We were very grateful to function all year under a balanced budget. Under the leadership of our Sr. Warden, Boyce Brown, we have reduced existing debt on our current office building significantly. By doing so, it will free up more and more resources to reach out in love and service to the community, the nation, and the world.

David Alwine, Dean

San Jacinto Convocation

The clergy of the San Jacinto Convocation meet the first Wednesday of each month for worship, lunch, and fellowship. Facilitated by Suzanne Miller, we focus on prayer, encouragement, and support for one another. Our time of checking in professionally and personally each month is highly valued and is of great benefit to the parishes and missions we serve. Approximately six months of the year, Trinity, The Woodlands, the most central location within the convocation, hosts the Clericus. On the alternating months, we travel to host churches for the hospitality of spiritual and physical nourishment. From time to time, our gatherings are also a place for information to be shared.

Some changes within the churches of the San Jacinto Convocation in the past year (2012) include:

- St. Aidan's, Cypress: Vicar, the Rev. Justin Lindstrom, received a call to become Dean of the Cathedral in Oklahoma City. The Rev. Lisa Saunders is serving as Interim until the Rev. Les Carpenter becomes their new Vicar.
- St. James', Conroe: Received the Rev. Scott Lee as their new Curate in June.
- Holy Comforter, Spring: Called the Rev. Jimmy Abbott as Rector of in May.
- Trinity, The Woodlands: the Rev. Eric P. Hungerford, Curate, accepted a call as Associate Rector, St. Mark's, Houston.
- Trinity, The Woodlands: Called the Rev. Sean Steele as Curate in June.
- St. Dunstan's, Houston: Called the Rev. David Browder as Associate Pastor.
- St. Mary's, Cypress: the Rev. Meredith L. Holt accepted call as Rector, Grace, Galveston.
- Letters Dimissory for Connie Wolfe were accepted by the Diocese of Southwestern Virginia.

Any mistake or omission to this list is the responsibility of the Dean.

Gerald Seveck, Dean

Southeast Convocation

Holy Trinity, Port Neches

2012 has been a year of transitions at Holy Trinity. As happens with aging congregations, we had many people move closer to their children or pass into the greater life. This has placed strains on the parish but also offers us new opportunities. Under the steady and faithful leadership of the vestry, we combined our time, creativity, and money to accomplish many projects. In 2011–2012, we supported our local Jefferson County ministries. The parish also participated in the Angel Tree project during Advent. In addition to the above outreach projects, we offered many programs for the growth of the parish. We hosted a daytime Education for Ministry (EfM) group during the school year, ate ourselves silly during our 3rd annual Trunk or Treat at Halloween, supported 5 children for Camp Good News, and gave Bibles to our graduates in May. We did not have an Episcopal visit due to the election of a new Suffragan Bishop. The “new economic reality” of our times means that there are many people hurting and in need. Where there is great need, there is great opportunity for ministry. Holy Trinity is striving to live into our Matthew 25 mission.

St. Paul's, Orange

2012 has been a wonderful year for the members of St. Paul's Episcopal Church in Orange. We are known in the community to be a small church with a big heart, and we invite our neighbors to take part in many of our activities. This year, the Daughters of the King sponsored a Lenten program which included supper and a book study and was attended by many people outside of our parish. The congregation set up a giant labyrinth which covered the gym floor at a local middle school, and the community joined us for reflection and prayers. Later in the year, we joined other congregations in a community-wide cleanup in Orange. Teams from St. Paul's also spread all across the county, doing random acts of kindness for others. St. Paul's continues to support our troops in Afghanistan and Iraq with prayers and gifts. Our ECW and DOK members are active and committed. Each of our ministries is in the process of setting new goals so that we can continue to serve Christ with all our hearts. St. Paul's continues to be one of the most beautiful churches in the area, thanks to the vestry, staff, and congregation. We are committed to Bible study and have begun a new Adult Bible Study on Sundays. We are also in the process of planning a new Wednesday night service, which we will begin in November. We are so thankful for our many blessings and look forward to having the opportunity to continue to spread the love of Christ.

St. Stephen's, Beaumont

What an incredible year for us at St. Stephen's! We have recently rolled out a new logo and Mission Statement that tells people who we are: Loving God, Sharing Jesus, and Rejoicing in the Spirit! As we send in this report, we are preparing to celebrate our 60th anniversary with friends from near and far returning to worship together. God has been incredibly faithful through the decades, and we celebrate all that church was and is and will become. Our children's ministry is alive and well, as seen both Sunday mornings and during our spectacular VBS week during the summer. Youth Ministry highlights include worshipping as a group at Roger's Park each Wednesday and 10 youths going on the Missionpalooza trip to Bastrop. Fellowship has been rich and varied with participation in Sharing Faith Dinners in the spring and the kickoff of Fellowship dinners in homes during the month of October. Wednesday Night Live classes continue, with seven classes being held for all ages of attendees (with other offerings other times during the week). Special for this year was our hosting of the Interfaith Lenten Series that is attended by seven west end churches in Beaumont. This is a forty-plus-year tradition that takes an army to pull off. Our women's ministries in Daughters of the King and ECW continue to do the work of Christ, both in and out of the church. Outreach was both usual and unusual: Some Other Place, the Tasting, Mission trips to Honduras and Haiti, Habitat Builds, blood drives, Angel Tree gifts, and this year, Saturdays of Service during Lent. Bishop Fisher is visiting us in November to confirm/receive 15 youth and 9 adults and will be dedicating our new red altar set, generously given by 10 families in the church. Our greatest challenge this year was being without Broce Hall for four months as the air conditioning was being repaired. Due to the generosity of the St. Stephen's Beaumont Foundation and many parishioners, this system is paid off. For all the above, we say "Thanks be to God!"

St. Stephen's Liberty

The past year has been an exciting and spirit-filled time for St. Stephen's. The Year of our Lord two thousand twelve brought new faces to our parish family, new ministries to bring God's love to the world, and new outreach programs to help the needy in our community. In addition to our traditional annual community events, the Shrove Tuesday Pancake Supper and Oktoberfest, we added a St. Patrick's Day Festival, which was well attended and enjoyed by all. Our Newcomers Ministry kicked into high gear in 2012 and is bearing fruit. New welcome packets are being assembled, "Welcome" business cards are being distributed to all parishioners to be handed out in the community, and new signs adorn the campus. The Newcomers Team is working hard to ensure that the front doors are open and the back doors are closed as we strive to welcome and retain new members into our family. We are just forming our brand new year-round Stewardship Ministry Team, which will address all forms of stewardship, including financial, environmental, education, service, corporate and individual needs, and much more. The Stewardship Team is exploring the possibility of partnering with another church in our convocation to host a convocational stewardship conference in 2013. Our Outreach Ministry is ever expanding, and this year, we added as a financially supported mission partner, Spirit of Sharing, a local organization that provides food, clothing, and other services to families struggling in poverty. Our outreach motto of "sharing the light of Christ through community involvement, action, and service" is more than just a catchy slogan as we spread the Gospel with not just words, but with action! Our doors continue to be open to the community as various organizations and agencies utilize our parish hall as a center for training, education, community information and services, and youth activities. Organizations such as the American Red Cross, Texas AgriLife Extension Service, 4H, Girl Scouts of America, Friends of the Library, Alcoholics Anonymous, Liberty ISD Education Foundation, Liberty County Historical Commission, and many others find our campus to be a welcoming place for both business and fun. Our folks are friendly, our worship is beautiful and uplifting, and our love of God in Christ shines forth in the community. As our Fall Pledge Campaign theme says, we are truly "blessed to be a blessing," and we look forward to more and better ways to serve our Lord through service to His people.

Trinity, Anahuac

Trinity continues to remain stable. ASA is down to approximately 17. There have been transfers by three families; one death, one family moved to West Texas, and two families are inactive in community. Trinity gave approximately \$2,000 to the local Christian Caring Center to provide food and other assistance to the needy in Anahuac. The congregation again sponsored a "Trunk or Treat" for Halloween in the church parking lot. Bishop Doyle is to make an Episcopal visitation in January 2013. Four members attend the Little Church Club gatherings twice a year. Lorinda Driskill functions as Lay Pastoral Leader while attending the Iona School. The Rev. Earl Sheffield, retired, is conducting a class to prepare a church member to be received by Bishop Doyle in January. The church continues to be financially stable. Paul Rice is the Bishop's Warden, and Bruce Corner is the Jr. Warden.

Actually, despite the reduced ASA this year, we just gave \$5,000+ to Mid-Chambers County Christian Center, a one-stop benefits shop for those in need in the surrounding

area. Partnered with Houston Food Bank, \$1 donated to MCCCCC (what Roman numeral is THAT?!?) can provide up to \$5 in food aid to the community. The Center also helps those in need of assistance with utility bills, especially important in colder weather. This fall, rates for the municipal water and sewer utilities increased 50%, so such assistance may be crucial.

In preparation for the holidays, Trinity is preparing shoebox Christmas “treasure chests” for the diocesan Seafarers’ ministry. Basic toiletries, books, snacks, pens, and paper are packed snugly into a gift-wrapped shoebox to bring the love of God to a sailor at Christmas.

St. Paul’s, Woodville

We continue to worship, have pastoral care, outreach, evangelism, and spiritual growth as we struggle to function without the guidance and support of a priest. Two Sundays a month, we have supply priests—the Rev. Stephanie Linscott and the Rev. Jack Leighton—who celebrate Holy Eucharist as well as advise us on spiritual questions and questions about liturgy. The other two mornings, we have a strong lay leaders who lead Morning Prayer. Community of Hope members are very active in the area of Pastoral Care.

Christian Formation has been taught by a lay leader who has researched (finding scripture references) and created a PowerPoint presentation on the Episcopal Catechism. Attendance has been 25+ each morning.

Several leaders have attended conferences held at Camp Allen for training—Forming Disciples in March, the Bishop’s Conference on Episcopal Health Charities, and Outreach. Others will attend the conference for Youth Leadership next week. All these trainings will facilitate St. Paul’s in engaging our congregation as well as plans for the youth.

On Sunday, October 28th, we celebrated our youth with Youth Sunday. The youth led the Morning Prayer Service by serving as ushers, acolytes, lectors, intercessors, reading the sermon, and choir-singing special music.

We have supported St. Paul’s school with several fundraisers. We are known in town for our “Heavenly Hamburgers.”

River of Life in Woodville and St. Paul’s, along with 3 other churches, have worked together on a project. River of Life offers a 2-month life- and job-skills training program for women. The first class of four young women will graduate in November.

Trinity, Jasper

The Rev. Byron Crocker has been the supply priest on 2nd and 4th Sundays for the past 6 years. Morning Prayer is led on the 1st, 3rd, and 5th Sundays, and Evening Prayer is on Wednesdays.

We rent our school facilities to Head Start, so our buildings are in use 6 or 7 days each week.

We budget at least \$2,500 for outreach through Jasper Share Food Pantry, Jasper Safe House, Jasper Hospice, Jasper Humane Society, Jasper Volunteer Fire Department, and Blessings in a Backpack in Houston.

We are a small, but loving, active Christian Community.

Nancy DeForest, Dean

Southwest Convocation

After considering the needs in the convocation, early in the year the Southwest Convocation adopted the form of facilitated discussion for its clericus gatherings on the fourth Thursday of the month. We were pleased to welcome Ms. Gaye Jones as our facilitator, and Ms. Jones has kept our discussions fresh while cultivating obvious cohesion in the group. With Ms. Jones travelling from Katy, we accommodate her by regularly meeting at St. Mark's, Richmond.

The clergy have benefitted in discussing personal, professional, and theological issues. Probably our liveliest discussion came about at our October gathering. We met at Clergy Conference following a most provocative plenary with Dr. Walter Brueggemann. In an obviously safe group, many of us were able to process and explore the theological issues raised; it was an engaging dialogue amongst peers and presbyters. The diversity of the group continues to be revealed while we share in an environment of trust and support, and in the past year, the community of consistent participants has grown considerably.

Over the last year, we also enjoyed welcoming guests to our meetings, including Bishop Doyle, Bishop Harrison, the Rev. Cecilia Smith, and Canon John Newton. It was a pleasure to have them with us and to keep our convocation connected with our larger diocesan family. In March, the Rev. Rick Benson led a daytime retreat for us at his ranch in Eagle Lake. The spiritual retreat was titled *Blind Faith*, and Rick and his wife, Susan, offered us the most gracious hospitality during our stay at their ranch.

In the fall we welcomed the Rev. Brad Sullivan and his family into the convocation. In November, Brad was installed rector of St. Mark's, Bay City, and we are blessed in having Brad, Kristin, Noah, and Rhys in our convocation. Also, St. Thomas', Wharton, recently called the Rev. John Soard to be their next rector. We look forward to welcoming John and his family into the convocation, and we are eager for another fruitful year in the southwest region of our diocese.

Bert O. Baetz III, Dean

Division of Evangelism

Commission on Evangelism

(No Report Received)

MINISTRY & RENEWAL UNIT

Division of Lifelong Christian Formation

Christian formation is the Spirit's work of forming us into the person of Jesus Christ. As Christ is formed in us, we are empowered to live missional lives characterized by "love, joy, peace, patience, kindness, generosity, faithfulness, gentleness, and self-control" (Gal 6: 22–23). Christian formation is our destiny as God's image bearers. We are to "represent Christ and His church" as our primary vocation.

Christian education is an indispensable part of our formation as Christians. St. Paul tells us that we are "transformed by the renewing of our minds" (Rom 12:2). Christian formation, therefore, is a commitment to a life where we learn from the Living Christ.

The lifelong formation team is committed to helping us grow into the full stature of Christ. That team consists of the Rev. Canon John Newton, Canon for Lifelong Christian Formation; Jamie Martin-Currie, Missioner of Christian Education; Matt Blank, Missioner for Youth and Young Adults; and Denise Trevino, Missioner for Intercultural Development.

Continuing Education & Equipping the Saints for Ministry

Based on the results of an online evaluation of the fall 2011 conference, the office of lifelong Christian formation designed a three-day discipleship conference in March. This conference encouraged the participation of entire parish formation teams including clergy, and allowed for team reflection time during the gathering. Bronwyn Skov, the Church Center's formation team leader, Chris Seay of Ekklesia, Scott Bayder-Saye, and Bishop Doyle presented plenaries. Sharon Pearson, formation specialist from Church Publishing, and many of our parish leaders led workshops. Many of the plenaries and workshops were videotaped for the Province 7 Web site. Attendance exceeded our expectations.

In the fall, we created a scaled down six-hour version of this conference to take on the road. Visits to parishes in Austin and Houston proved to be convenient for those in the Austin, Central, Southwest, Galveston, and both Harris convocations. These on-the-road gatherings included Canon Newton's plenary, three clergy discipleship presentations, followed by four workshop choices. An East Texas destination is being determined for 2013.

Curriculum consultations and a ministry of presence in the congregations continue to be a big part of our work. In 2012, we worked with numerous congregations throughout the diocese on Eucharistic instruction, family faith formation, teacher training, intergenerational programming, Confirmation, community gardens, parenting, and Godly Play. A three-day Godly Play core training was held with national trainers in August. Four congregations successfully started Godly Play with the help of our resource library. The Houston and Austin libraries continue to serve as necessary resources for our smaller parishes. One resource that has been widely shared online is the xtranormal seasonal videos created by our Missioner of Christian Education, Jamie Martin-Currie. Recently, Church Publishing Inc. published a downloadable Easter walk script adapted by Martin-Currie.

The Children and Family Commission held several gatherings with their convocations, and these leaders enjoyed a spiritual overnight retreat at Camp Allen to share their work. Jamie Martin-Currie was also honored to staff the Church Centers Lifelong Formation booth at General Convention.

Youth and Young Adults

The Division of Youth Ministry continued to live into its vision of being a *community rooted and connected through Christ*. Changes were made to a few of the traditional programs and retreats that have been offered for years. The age ranges for the Youth Encounter Spirit (Y.E.S.) and Happening retreats changed to include 6th–8th and 9th–12th grade youth respectively. Missionpalooza, the annual diocesan youth mission trip, included seventeen congregations and 170 participants and was led by Kathy Westmoreland (St. Mark's, Bay City). The group served the Bastrop county residents

who suffered loss from the 2011 fires. All of the youth programs have seen growth in participation as well as involvement over a wide range of congregations. Every event has had full participation.

The Division of Youth has also researched and prepared for the 2013 launching of the Youth Ministry Development program under the direction of Matt Blank (Diocesan Missioner for Youth & Young Adults), Ed Ziegler (Trinity, Houston), Molly Carr (Trinity, The Woodlands), and Mike Mullen (St. Paul's, Navasota). This program exists to provide congregations with the necessary support to establish and build successful, sustainable youth ministries. The support provided includes youth ministry assessments, coaching, mentorship, training, and continuing education.

Campus Ministry

College Ministry in the Diocese of Texas continues to thrive. This year, we added a full-time Missioner to Rice University (the Rev. Patrick Hall). The Rev. Sandi Mizirl also stepped down as Missioner to Texas A&M University after over ten years of strong leadership. We give glory to God for her ministry.

The Division of Young Adults also sponsored a College Retreat that brought together over 50 participants from across the diocese. Texas A&M student, Kim Williams (St. Andrew's, Bryan) led the retreat, and the Rev. Bert Baetz (St. Mark's, Fort Bend) was the keynote speaker. The Young Adult Commission continues to empower churches in their call to welcome young adults into their doors and help them find a place to belong.

Older Adults

Under the leadership of Clint Capers (St. Alban's, Waco) the Older Adult Commission (OAC) continues to thrive, accomplishing its goals established during the 2011 goal setting meetings held in Houston and Camp Allen. In 2012, much progress was made. Among other things, an OAC Mission Statement and Goals were adopted, and an EDOT Web site under Formation for Older Adults that includes Commission members was created. The OAC also provided articles devoted to older adult issues and ongoing spiritual growth in the March 2012 issue of *Dialog: The Texas Episcopalian*.

Much of the OAC's 2012 work was devoted to creating a Questionnaire to determine what older adult Christians want and need in the area of continuous Christian formation. The OAC used the "VIM" (Vision, Intentions, and Means) method. Two working groups—one from the Houston area and one from the Waco area—prepared draft questionnaires. The two products were then reviewed, combined, and approved by the OAC for administration. The Questionnaire was administered by OAC members who interviewed randomly selected adults, 65 years or older, focusing on "active" church members. The interviews were conducted in the context of worship, beginning and ending with prayer and appropriate scripture passages involving ongoing Christian formation. Five primary Reflection questions were asked, followed by a number of questions which were rated as Very Important, Somewhat Important, or Not Important. The many responses are being inputted into a findings file. When this is complete, the information gathered will be analyzed for potential programmatic alignment or re-

alignment. At some point, the analysis will be published, and the OAC will solicit comments for implementation or engagement.

Intercultural Development

The office of Intercultural Development exists to bring resources, programming, training, and support to all congregations and institutions across the Diocese. 2012 has been a year of transition and revitalization for the department. One of our primary goals in 2012 has been to gain a deeper understanding of what the different Diocesan communities really want and need from this office. Denise Trevino has personally met with over 100 people—ranging from clergy, lay, Board members, and teachers—to learn about their cross-cultural challenges, needs, and desires for their communities. Our goal has been to reassess or confirm that what we are offering is still warranted and needed; discover what programs, trainings, and resources were, or were not, effective for these groups; and ponder what we might be missing in their needs, and ponder would/could the Diocese look like 10–20 years down the road from a cross-cultural perspective?

It is particularly worth noting the continuing impact of our *Fertile Ground Workshops*. We have trained over 250 people in the last 10 months. We are still on target with training two additional people to teach this workshop by early 2013, which will allow us to better meet the demands for this workshop. Training youth and young adult leaders in cultural competency has been identified as one of the key missing pieces. A separate workshop will be offered to these leaders and teachers in 2013. In May, we hosted an “Emerging Conversations in a Multicultural World” workshop at Palmer. Over 90 people attended the workshop conducted by the Rev. Eric Law. It was a huge success.

Furthermore, various Episcopal Church materials either have already been or are being translated in Spanish to make available on the Diocesan Web site in 2013. Most of these items (such as materials used during Lent) are things that are not available from Church Publishing or the national Church office. These materials are not as readily available as one might imagine, and yet a common request I receive.

Finally, we are proud to announce our first *Intercultural Youth Retreat*. In the conversations that have been shared, a reoccurring theme was expressed by minority members, both adults and youth, of feeling disconnected to the Diocese as a whole. To better plan for the future of 10–20 years down the road, a first-ever *Intercultural Youth Retreat* has been planned for January 2013 to begin giving our next generation of church leaders the skills they will need to be culturally competent. The retreat is specifically designed for youth between the ages of 14 and 16 that represent a wide range of diversity in the Diocese. The retreat has been carefully planned to offer them a respectful space to learn about one another’s cultures and begin forming more authentic cross-cultural experiences and friendships within a church context. The plan is to also have these same youth invite 1–2 people more to attend in 2014, and so on and so on, building on our youth numbers as they grow into young adults.

Summary

The Diocesan Formation Team exists to serve God the people of the Diocese of Texas, regardless of age or race/ethnicity, through communication, networking of relationships, and connecting resources so that every member of our church might experience

- the abundance of life that is found in knowing, loving, and wholeheartedly serving Jesus Christ (formation)
- the transformative love of an authentic Episcopal community characterized by humility, vulnerability, and respect (connection)
- the empowerment of the Holy Spirit to use their gifts to build up the Church and live missionally in the world (leadership).

This purpose statement drives everything we do. It drives the reason that we are here. And, it expresses the hope that we have that Jesus is using our church as part of *His* plan to restore our world and establish God's Kingdom.

John Newton.....Canon for Lifelong Christian Formation
 Denise Trevino... Missioner for Intercultural Development
 Jamie Martin-CurrieMissioner for Christian Education
 Matthew Blank Missioner for Youth and Young Adults
 Clint Capers Chair of the Older Adult Commission

Diocesan Schools Commission

Despite the current economic situation, total enrollment for the sixty schools in the Diocese remains fairly constant. There are wide variations in individual schools, but within almost all cases, the change is about $\pm 10\%$. Of the total enrollment, 33% are in Early Childhood Programs (2–4 year olds), 33% in Lower Schools (K–5), 15% in Middle School (6–7), and 19% in Upper School (9–11). One school closed, a few dropped grades, but several added grades.

A major issue facing our schools this year is the implementation of the action of the last General Convention requiring medical insurance and pensions for all church personnel, including personnel in church-related schools. The Diocesan Office has recently issued a statement regarding this matter which addresses the needs of the schools and recognizes the potential effect on many of our schools. This information has been sent to all our schools and the heads of congregations that have a school.

The mission statements of our schools express their commitment to providing a strong and appropriate educational program in the context of a clear expression of the Christian faith and in a community where each child is recognized as a child of God. Episcopal schools serve not only the congregations which sponsor them, but the larger community as well, fostering intellectual and spiritual values that can make a lifelong impact on the children entrusted to them.

<u>ORGANIZATION OF SCHOOLS</u>			
Through Prekindergarten	22	Through Grade 8	7
Through Kindergarten	12	Grade 12	8
TOTAL	34	Grades 6–12	1
ACCREDITED	21	Grades 9–12	2
Through Grade 3	1		
Grade 5	5	TOTAL	26
Grade 6	2	ACCREDITED	26

SCHOOL PERSONNEL

Faculty: Full time	1,351	Degreed	1,086
Aides/instructional support	431		
Administrative/other	580		
TOTAL	2,362		

ENROLLMENT

Pre-nursery (2 year olds)	922	Grade 5	508
Nursery (3 year olds)	1,191	Grade 6	552
Prekindergarten (4 year olds)	1,441	Grade 7	522
Kindergarten	708	Grade 8	544
Primary/Other	47	Grade 9	539
Grade 1	589	Grade 10	577
Grade 2	560	Grade 11	520
Grade 3	537	Grade 12	523
Grade 4	512	TOTAL	10,792

	Range	Median
% Episcopalians	0.1–57	20
% Minority	1–95	20
% Receiving Financial Aid	0.6–61	9

FACULTY SALARIES & BENEFITS

Medical Insurance	27
Retirement Program	33
Reduced tuition for faculty children	41
Financial aid for continuing education	23

FACULTY SALARIES

	Houston	Cities over 100,00	Cities under 100,00
Preschool only	(10 schools)	(7 schools)	(9 schools)
High range	62,000–14,271	39,476–17,181	36,000–12,738
Median high	32,200	31,900	27,500
Low range	40,000–4,238	31,200–3,564	27,562–6,000
Median low	18,200	17,500	19,500

(Includes both half-day and full-day programs.)

Preschool & Grades	(10 schools)	(6 schools)	(12 schools)
High range	105,321–18,429	99,150–41,000	60,000–7,212
Median high	63,200	63,400	34,350
Low range	45,000–12,642	36,720–21,000	33,375–6,977
Median low	34,000	23,300	25,250

TUITION AND FEES

Preschool	High	12,230	5,594	7,054
(2 or 3 day)	Median	4,390	4,610	2,995
	Low	2000	3,040	1,290

TUITION AND FEES				
Preschool (5 day)	High	14,880	7,163	8,225
	Median	8,880	5,279	4,795
	Low	2,475	5,340	2,350
Kindergarten (Half-day)	High	10,230		3,950
	Median		5,565	3,325
	Low	7,480		3,276
Kindergarten (Full-day)	High	16,750	16,500	10,132
	Median	10,790	8,000	6,320
	Low	4,750	6,750	4,100
Lower School	High	16,750	18,357	10,132
	Median	12,620	16,468	6,950
	Low	9,640	7,256	4,600
Middle School	High	19,960	23,630	11,071
	Median	14,940	20,284	9,550
	Low	10,995	8,530	5,250
High School	High	24,680	25,280	12,266
	Median	14,277		10,900
	Low	8,300	21,660	9,845

LOCATION	SCHOOL	GRADES	ENROLLMENT	ACCREDITATION
Angleton	Holy Comforter	N-PK	78	SAES
Austin	All Saints'	N-K	75	SAES
	Good Shepherd	PN-K	163	SAES
	St. Andrew's	1-12	875	SAES/ISAS
	St. David's	PN-PK	111	NAEYC
	St. George's	PN-PK	72	SAES
	St. James'	PN-PK	118	SAES
	St. Mark's	PN-PK	108	[SAES]
	St. Michael's	PN-PK	34	
	St. Matthew's	PN-K	190	SAES
	St. Stephen's	6-12	669	SAES/ISAS
	Trinity	K-8	475	SAES
Bastrop	Calvary	PN-3	75	SAES
Beaumont	All Saints'	N-8	381	SAES
Bellville	St. Mary's	PN-PK	38	SAES
Bryan	St. Michael's	PN-12	118	SAES
College Station	St. Thomas'	N-K	121	SAES
Conroe	St. James'	PN-PK	44	SAES
Crockett	The Jordan School	N-PK	33	SAES

LOCATION	SCHOOL	GRADES	ENROLLMENT	ACCREDITATION
Friendswood	Good Shepherd	N–PK	28	SAES
Galveston	Trinity	PN–8	199	SAES/ISAS
Georgetown	Grace	PN–PK	68	SAES
Houston	Archway Academy	9–12	68	TEA
	Ascension	PN–5	129	SAES
	Cathedral	PN–K	87	NAEYC
	Emmanuel	PN–PK	72	SAES
	Episcopal High School	9–12	673	ISAS
	Grace	PN–PK	91	
	Holy Spirit	PN–8	306	SAES
	Holy Trinity	N–12	124	SAES
	Hope	N–PK	28	
	Palmer Preschool	PN–PK	60	
	St. Andrew's	PN–PK	41	
	St. Christopher's	PN–PK	41	
	St. Cuthbert's	PN–PK	79	
	St. Francis'	PN–8	849	SAES/ISAS
	St. James'	PN–K	21	
	St. John the Divine	PN–K	95	
	St. Mark's	PN–8	404	SAES
	St. Martin's	PN–PK	231	SAES
	St. Stephen's	PN–12	185	SAES
	St. Thomas'	K–12	611	SAES
	St. Thomas the Apostle	N–5	92	SAES
Killeen	St. Christopher's	PN–PK	81	
Kingwood	Good Shepherd	N–K	263	SAES
La Grange	St. James'	PN–PK	13	
Lindale	St. Luke's	PN–PK	65	SAES
Longview	Trinity	PN–12	299	SAES/SACS
Lufkin	St. Cyprian's	N–5	193	SAES/SACS
Marshall	Trinity	PN–8	224	SAES/SACS
Missouri City	St. Catherine of Siena	PN–PK	95	
Nacogdoches	Christ	N–6	103	SAES
Richmond	Calvary	PK–12	174	SAES
Round Rock	St. Richard's	PN–PK	64	[SAES]
Temple	Christ Episcopal	N–5	63	SAES
	St. Francis'	N–K	49	
The Woodlands	Trinity	PN–K	96	SAES
Tyler	All Saints'	PK–12	709	SAES/ISAS
Waco	St. Paul's	PN–6	150	SAES
Woodville	St. Paul's	PK–5	33	

PN (Pre-nursery) 2-year-olds

N (Nursery) 3-year-olds

PK (Prekindergarten) 4-year-olds

Children under 2 years of age are not included in enrollment although many schools have programs for such children.

ACCREDITATION

SAES Southwestern Association of Episcopal Schools

ISAS Independent Schools Association of the Southwest

NAEYC National Association for the Education of Young Children

[] Indicates schools in the process of seeking accreditation.

Both SAES and ISAS are recognized by the Commissioner of Education of the State of Texas as accrediting agencies.

A. Dean Calcote, Chair

Education for Ministry

Now over 35 years old, EfM is a four-year course of study in theological Bible study and reflection for lay persons. As of November 1, 2012, there were 25 seminar groups in the Diocese of Texas with 200 students enrolled for the 2012–2013 academic year. Forty-two students graduated from the program in May 2012. EfM is offered worldwide, and there are over 35,000 graduates in the international program.

Training events were held twice during 2012, both at Camp Allen. All mentors are required to renew their certification every 12 to 18 months in order to maintain a seminar group.

EfM is now offered online for students who are unable to enroll in a face-to-face seminar group. The Diocese of Texas currently offers one online seminar group, and it takes new students every January.

The seminar group is the nucleus of the EfM program. A group consists of six to twelve participants and a trained mentor, meeting weekly over the course of a nine-month academic year. These meetings are usually two-and-a-half to three hours in length.

Through study, prayer, and reflection, EfM groups move toward a new understanding of the fullness of God's kingdom.

- Study – Participants are given weekly assignments to study with the help of resource guides. They are responsible for setting their own learning goals. In the seminars, members have an opportunity to share their insights and discoveries as well as to discuss questions which the study materials raise for them.
- Reflection – Theological Reflection is the hallmark of EfM. The goal is to learn to think theologically. By examining their own beliefs and their relationship to our culture and tradition and the tradition of our Christian faith, participants can learn what it means to be effective ministers in the world. In coming to terms with the notion that everything we do has potential for manifesting the love of Christ, we discover that our ministry is at hand wherever we turn.
- Worship – The seminar is supported by a life of prayer and regular worship. EfM groups are encouraged to develop a pattern of worship appropriate to their situations.

- The Mentor – Seminar groups work under the leadership of mentors who contract to serve as guides and administrators.
- Enrollment and Tuition – Enrollment is done directly through the mentor. The fee for one academic cycle is \$350 in the Diocese of Texas. Reduced tuition is available if the seminar group has enough students to support it.

For more information about EfM, please see www.texas-efm.org.

Lucy M. Wagner, Diocesan Coordinator

Division of Christian Leadership

The Iona Center

Training the Baptized for Leadership

The Iona Center in the Diocese of Texas has the mission to “train the baptized for leadership.” It is a center without walls that delivers multiple types of training through different venues and methods. Mary M. MacGregor, Director of Evangelism and Congregational Development for the Diocese of Texas, is the director of the Iona Center.

Clergy Leadership Development Activity:

The Iona School for Ministry

The Iona School for Ministry is now in its 8th year of providing a three-year formational experience for persons selected by the Commission on Ministry and its committees for both the bi-vocational priesthood and diaconate. The School has a rigorous curriculum of academic, practical, and liturgical instruction. As of June 2012, the School has graduated 31 persons who have been ordained to the priesthood and 26 persons to the diaconate. The Diocese of West Texas has 4 graduates from Iona School. The Diocese of Texas clergy have been deployed to serve in small congregations as vicars, priests in charge, and rectors...and as deacons in a number of our other congregations. In addition, 3 lay professionals have enrolled in the theological classes. Faculty include highly qualified individuals, both lay and ordained, who are very knowledgeable in their field of expertise. The Iona School meets one weekend a month for ten months of the year from September through June. Currently, each in-diocese student pays approximately one-third the cost of tuition and room and board at Camp Allen, and the Diocese of Texas subsidizes the remainder. The School currently has 8 students from the Diocese of Oklahoma, 1 from Wyoming and 2 from Nebraska.

The Academic Dean of the School is the Rev'd Sam Todd. The Chaplain to the students is the Rev'd Lillian Hyde. The administrator is Julie Heath. Forty-one persons are serving as instructors this current academic cycle.

The Iona Initiative

The Iona Initiative is a cooperative project between the Seminary of the Southwest and the Iona School for Ministry to create a local formation program for priests and deacons that can be utilized by dioceses of the Episcopal Church. The dioceses currently involved in this project include Oklahoma, Wyoming, Nebraska, Arkansas, Mississippi, West Texas, Northwest Texas, Texas, and Hawaii. This is the first year to deliver academic content, and 26 students from three of these dioceses are

participating. This pilot project holds great promise to become a significant formation program across the church.

Clericus Groups with Professional Facilitation

Each convocation of our diocese, including clusters of clergy who serve as associates, has the opportunity to meet regularly with professional facilitators. This opportunity has proven to be extremely helpful to clergy in a similar model across the country called—The Clergy Committee. Professional and personal development are the goals of these groups. The Diocese of Texas underwrites a significant portion of this work with the assistance of donations from participating clergy. The Northeast and Southwest convocations are the exceptions with internal facilitation. Gaye Jones is the current coordinator for the facilitators who meet together to network and learn from each other.

Curate Camp

Newly ordained persons who have recently graduated from seminary are required to meet two days a month for 8 months for professional development, training, and shared learning. They meet at Camp Allen and have the opportunity to interface with a number of experts representing a variety of disciplines. The Rev'd Rhoda Montgomery and the Rev'd Chuck Treadwell currently serve as facilitators/mentors for this program.

Clergy Conference

Bishop Doyle works closely with the Director for Evangelism and Congregational Development to design a conference for clergy that is inspirational and educational and provides an opportunity to network with fellow clerics. This year, Dr. Walter Brueggemann was keynote speaker, along with other nationally recognized speakers for the seminars and workshops provided during the conference. This annual event has become a very significant time for the clergy of the Diocese of Texas.

Lay Leadership Development Activity:

Warden's and Vestry Conferences

These 3 annual conferences were held in Houston, Austin, and Longview this year. The focus is on vestry leadership development. Over 400 persons participated in these one-day events. The Rev'd Canon John Newton keynoted, and there were a number of significant workshops which were offered to the participants.

Congregational Development Activity:

Mr. Bob Schorr, Coordinator for Congregational Development, works closely with the Iona Center in most aspects of his work. This is a team effort to resource the congregations in numerous ways to support their mission and ministry.

Stewardship Conference

This year, Emmanuel Episcopal Church, Houston, hosted and co-sponsored with the Diocese of Texas a one-day Stewardship Conference. Once again, the conference was focused on stewardship formation and understanding coupled with practical applications.

The Evangelism Conference

A successful conference that focused on personal and corporate evangelism was held at Camp Allen. Sharing Faith cards were featured in an activity in addition to keynote talks, worship, and workshop opportunities. Over 150 people were in attendance.

The Conference

Plans are underway to combine Christian formation, stewardship, and evangelism into one large conference to be held at Camp Allen May 3–5, 2013. Four major keynote speakers plus a series of other learning opportunities will be offered.

Congregational Coaches

Coaches and recommended consultants are available to our congregations to do a variety of development work including core value discernment, mission statement creation, visioning, strategic planning, and conflict resolution. The coaches are under the supervision of the Director of the Iona Center, and only consultants who have done significant work within the diocese are recommended through this office.

Pre-Search Work and Search Committee Training

Guidance and training is offered and recommended for churches about to enter into searches for new ordained leadership. Meetings are held with churches in transition to guide the development work they are requested to undertake in these periods. Coaches are often deployed to assist congregations in a variety of meetings which help them take a look at their values, mission, and vision. The Director of Evangelism and Congregational Development works closely with these congregations in what is called the pre-search period to resource them with best tools, processes, and advice as needed. This work is finished after the significant interview skills training is done with search committees to prepare them for their candidate interviews.

Mary M. MacGregor, Director

Division of Communication

Dialog Magazine

In 2012, the Office of Communication produced four issues of *Dialog: The Texas Episcopalian*, and mailed the magazine to more than 27,000 households. The magazine replaces the *Texas Episcopalian*, which was published monthly September–June for more than 125 years. This is the *Dialog's* second year of publication. The thematic magazine includes a number of articles on a particular theme, the bishop's column, a feature on Camp Allen, and four profiles: a congregation, a ministry, a person, and the arts. Themes for 2012 included how people respond to and experience grace in crises, embracing the second half of life, changing demographics, and human trafficking.

News

The communication team reads through each church newsletter for stories to cover as well as responding to ideas for stories from parishes and missions. Often this takes the form of covering an ongoing story as with the Bastrop wildfires, for which a special blog and ongoing coverage was provided. News from both national and international sources are edited and posted online, with notifications sent through Twitter as well as Facebook.

E-news

Parish, national, and international news, which used to be printed in the newspaper, is now published online and provided in digest form through our weekly e-news *Dialog*. This has allowed expanded coverage because there are no space or time restrictions regarding publication. However, the coverage of the e-news is a little more than 1/10th that of the magazine's circulation. We continue to encourage subscriptions to the e-news so that it can be more effective in sharing announcements, diocesan or larger

church events that are of import to a broad audience, as well as the parish news and ideas for ministry. Additionally, the Out of the Ordinary e-news is sent weekly to all clergy and heads of congregations. This includes transitions in leadership, announcements from the diocesan office, and the bishop's weekly sermon notes.

Web Site

The Web site at epicenter.org is updated daily with news and information from the Diocesan Center. Special pages are created for events such as General Convention, Sharing Faith Dinners, Nets for Life malaria net program, Council, natural disasters (such as Super Storm Sandy), the Bishop's Advent book study, etc. News is added daily from Episcopal News Service, Anglican Communion News Service, and local parish news. Additionally, thematic articles that pertain to the quarterly magazine are sometimes included when space is not available in the magazine along with pertinent videos. The video and audio pages of the Web site continue to provide rich resources for the local congregation. The Office of Communication also does a blog posting with resources on Web site design or other communication topics of interest to congregational communicators and administrators. Other departments within the Diocese also add video resources and keep their particular pages up to date with fresh content.

Consulting

The director of communications participates regularly in training events regarding invitation and welcome resources for parishes, as well as offering training at other conferences throughout the year, including the Evangelism Conference, the Outreach Conference, the Little Church Club, and the Warden's and Vestry Conferences. Congregational consulting is available, and the communication team has recently met with St. Michael's, Austin; St. Paul's, Woodville; St. Paul's, Nacogdoches; Christ Church, Cedar Park; Hope, Houston; St. Matthew's, Henderson; St. George's, Texas City; St. Luke's, Livingston; and St. Christopher's, League City, to work on their Web sites and social media presence.

With additional training and equipment, we have expanded our ability to do videotaping and editing. Although we will not reach "pro" status, we are competent to do individual messages for local churches from the bishop when requested, and we are able to videotape interviews to enhance our print publication and provide more engaging ways to tell our story. This year, we provided video messages from General Convention, the Building Diverse Communities Conference, taped Eric Law from the Kaleidoscope Institute, Bishop Mano Rumlshah, former Bishop of Pakistan; Kids4Peace, Missionpalooza, IONA School for Ministry, speakers at Clergy Conference, and edited videos for Hispanic Heritage Month for the Web site.

Special Projects

General Convention was held in July 2012 in Indianapolis. The communication team provided continuous coverage through news stories, real time coverage of rapidly unfolding legislation, and video responses by deputies and bishops from the diocese. Many times, Twitter coverage appeared hours before official press releases hit the Internet regarding events and legislation. The bishop was able to respond in nearly real time with personal videos posted online.

Sharing Faith, a project first envisioned by the Office of Communication, was held on April 26, 2012, when more than 1,200 Episcopalians across the diocese came together

on the same evening to share a simple meal and stories of their faith. The communication team designed the cards and worked with a planning committee to develop marketing for the event, which received very positive reviews from participants. A second annual event is set for May 16, 2013. The cards with questions for participants have been requested from other dioceses across the country, and it is anticipated that several dioceses will join the Diocese of Texas in May to host similar events.

The LOGOS Project is a library of 15-minute video presentations by Christian speakers on a number of topics that will be available to churches and individuals via the Internet. Bios and small group questions accompany each video and may be accessed along with the video anytime for no charge. Churches may use these for adult education classes, effectively having the best speakers for their programs whenever it is convenient for them. Seminaries and conference centers, as well as communications persons in other dioceses have been encouraged to participate by taping speakers to whom they may have access. All the videos will have the same intro and will include the unique information for the speaker and/or institution that taped the segment included for further information. Speakers will present the topic on which they have a passion or are an authority. To date, we have secured videos of: Bishop James Tengatenga, president of the Anglican Consultative Council, speaking on the importance of shared mission; Sister Joan Chittester on Benedictine spirituality; Eric Law on diversity; Brian McLaren on 10 questions churches should ask; Dr. Walter Brueggemann on the Old Testament; Paul Zahl on popular culture and faith; and Angela Blanchard on coping with disaster, with many more planned.

The Diocesan Center

The Communication team works closely with other departments within the diocesan office to provide support for various electronic newsletters, editing and layout of publications, editing video, and covering events. Additionally, the communication office is responsible for providing worship books for diocesan events, such as the consecration of Bishop Jeff Fisher in October. A large print version was also made available as was an online version, suitable for mobile devices, allowing the seeing impaired to view the service in a sufficiently large format.

Please contact the director, Carol E. Barnwell at cbarnwell@epicenter.org or call (713) 353-2140 with suggestions, story ideas, or comments.

Carol Barnwell, Chair

Division of Diocesan Camps

Camp Allen Conference and Retreat Center

Camp Allen had over 54,000 visitors last year including 7,600 youth. This year had many significant accomplishments, including hosting over 1,300 events for churches, non-profits, and universities. A record number of clergy attended the fall clergy conference at camp.

Camp Allen launched a supplemental \$400,000 Happy Trails Campaign to complete the stargazing area, Lakeside Meeting complex, and outdoor kitchen. The campaign has been successfully completed, and the construction was completed in 2012.

The Camp Allen budget for 2012 is \$5,300,000 with a net change in assets of \$105,000 before depreciation. The summer camp program continues to grow at a record pace of 1,800 campers attending one of 24 sessions. The rate for a week of camp is \$528. Camp Allen continues to closely survey its guests and to emphasize its theme of “Awaken Your Spirit in the Piney Woods.”

2011 Audited Results

Revenues:

Conference Center Fees	\$2,811,379
Summer Camp Fees	761,078
Campsites and Cabins	337,354
Discovery Fees	585,669
Gift Shop Sales	111,571
Gifts unrestricted	375,130
Equestrian and other income	77,515
Capital campaign	141,597
Total Revenues	\$5,201,293

Expenses:

Conference Center	\$2,927,655
Summer Camp	810,672
Discovery	730,940
Administrative	556,214
Total Expenses:	\$4,970,269

Net change before depreciation	\$231,024
Depreciation	\$873,523

George J. Dehan, President

Division of Multicultural Ministries

(No Report Received)

Black Ministry

Our Mission statement reads: The Commission on Black Ministry is an outreach ministry for clergy and laity to promote awareness and education of racial and cultural concerns, and to allow the opportunity for reconciliation for all people within the Diocese of Texas,

With that stated mission, we have attempted to identify progressive ways to parallel our goals with that of the diocese. Here are some of our accomplishments for 2012.

1. The Commission had a booth at the Diocesan Council and promoted three majors themes:
 - (a) The educational pamphlet entitled “Yes-We can,” identifying success stories of Blacks;
 - (b) Distributing of the Virginia Theological Seminary (VTS) registration brochure calling for lay persons to seek enrollment information;
 - (c) Free “give-away” of the Rev. Harold Lewis’ books.

2. COBM wrote a letter to all financial supporters who listed the Commission as one of their Mission Funding recipients.
3. Sponsored 50 young teens to see the Emmitt Till play at the Ensemble Theatre. The group had an special opportunity to meet with the actors after the show while enjoying pizza and soft drinks.
3. Continued the financial support to Camp Allen Summer event.
4. Continued the financial support at the Music Camp.

Another major accomplishment was to have a joint meeting with all of the 7 black priests. This was the first time that all of them had ever met with the COBM members (and with each other en masse) to jointly identify ways to support each other. As you can imagine, this was a lively discussion – all expressing gratitude for having the opportunity to meet together for dialog and support. Several common ideas were explored and will be a part of COBM's agenda for 2013.

The Commission is not just another black group. Our Mission explores ways to foster multicultural relationships to impose a degree of harmony and reconciliation within the diocese. We cannot accomplish this by ourselves. We ask for your continued support and prayers.

The members of our Commission are: the Rev. Canon Glenice Robinson-Como (Christ Church Cathedral); the Rev. Johannes George (Christ the King, Alief); Attorney Cornelius Perry (HOPE); Mrs. Patty Turney (Christ Church Cathedral); the Rev. Francene Young (St. Luke the Evangelist); Mrs. Roxann Chargois (St. James', Houston); and Carole Pinkett – Chair (St. James', Houston).

Carole Pinkett, Chair

El Buen Samaritano Episcopal Mission

As we prepare to enter our 26th year of service, El Buen Samaritano (EBS) Episcopal Mission continues to empower and equip the underserved Latino community in response to God's call *to love our neighbors as ourselves*, reflecting God's generosity and compassion while transforming the lives of families in need. El Buen Samaritano is committed to helping Latino and other families in Central Texas lead healthy, productive, and secure lives through high-quality and affordable healthcare, education, and economic stability services.

On April 20, 2012, El Buen Samaritano celebrated 25 years of service to the Austin community during the Gala de Esperanza. The evening celebrated El Buen Samaritano's mission of hope and the many community supporters, churches, and volunteers who have made the organization a thriving and effective resource for families in need. As a mission founded on volunteerism and service, El Buen Samaritano is grateful to the Episcopal community and the thousands of volunteers who have served as teachers, physicians, food pantry assistants, youth volunteers, and Board members throughout its history.

As you know, El Buen Samaritano's target population is primarily low-income, uninsured Latino families (94.9%). Most are first- or second-generation immigrants. Language barriers, poverty, and lack of health insurance make them vulnerable to health problems and sudden economic crises. Our agency-wide *Whole Health for the Whole Family* (WHWF) approach helps families in Central Texas lead healthy, productive, secure lives through a cross-section of integrated, high-quality and

affordable healthcare, education, and economic stability services. Our vision is to provide a hand *up*, not a hand-*out*, by creating pathways from subsistence to success for clients in order to reduce disparities in education and health, increase economic security within the household, help families grow stronger, and allow for successful integration within their local communities. We do this through cross-sections of integrated services: (1) Education Services include English as a Second Language, Citizenship, General Equivalency Diploma, Spanish Literacy, Financial Literacy, Computer Training, and a Child Learning Center (CLC). The CLC provides a strong educational foundation for preschool age children, particularly for children at risk because of language and developmental delays. (2) Healthy Living Services include health screenings for blood pressure, cholesterol, diabetes, and body mass index; Nutrition Classes; Prenatal Health Education; teen pregnancy prevention; Cocinemos con los Niños (Cooking with the Children - healthy eating); and Salud Hoy! (family education, physical activities, and behavioral health services). Healthy Living works in conjunction with the Education, Human Services, and the Wallace Mallory Clinic to ensure that clients are receiving care that encompasses all aspects of their lives. (3) Human Services include Integrated Behavioral Health care; client advocacy; referrals for social and medical services; patient navigation for those dealing with the complexities of the health care system in regards to cancer prevention and chronic disease management; and an emergency food pantry for families experiencing temporary hardship. Human Services ensures that families have access to resources to maintain emotional and physical well-being. In 2011, EBS implemented its Integrated Behavioral Health Program. (4) The Wallace Mallory Clinic, a patient-centered health care facility and primary medical home for the uninsured, includes general and internal medicine; pediatrics; gynecology, and obstetrics; immunizations; family planning; sexual health services; and breast and cervical cancer services. It appears that the Clinic will reach its goal of 18,000 encounters (clinic visits) by year end 2012, which translates to more than 9,000 individual clinic patients. We predict we will serve between 13,000 and 15,000 unduplicated children and adults across all programs by the end of fiscal year 2013.

El Buen Samaritano has also identified the lack of financial security and capability as a major barrier to success within our client population and a key contributor to institutionalized poverty. To remedy this problem, we are embarking on the development of a Financial Sustainability and Life Skills program to assist clients of all ages to make smart choices when dealing with financial matters and to break the cycle of poverty that is so prevalent in our community.

El Buen Samaritano's new *Nuevos Senderos* program is a leadership program designed to inspire and empower Latino youth to graduate college or graduate high school and continue on to college. The pilot program was launched on June 1, 2012, with 10 participants selected through an application and interview process. Over a ten-week period, the participants attended professional development workshops, engaged in one-on-one professional mentoring, and completed an internship. This internship included mentoring children ages 6–12 who were attending El Buen Samaritano's *Summer Camp* and *Youth Tutoring* programs. Additionally, thanks to the Garber Family Foundation, El Buen Samaritano was able to support a one-to-one matched savings program for the *Nuevos Senderos* interns, up to \$500, in order to incentivize college and help decrease the amount of school debt students accumulate.

“The greatest accomplishment we will take from this experience is the knowing that we made a difference in the children’s lives by being part of this wonderful program.” —Nuevos Senderos, Class Member, 2012

El Buen Samaritano’s 25th anniversary year also marked the beginning of the implementation of its five-year strategic plan. More than 500 individuals were involved in shaping the strategic plan framework for 2012–2017. This framework will inform and guide our thinking and development across all areas of the organization as we embark on this next great adventure, together.

I thank you all for your support over the past year. I look forward to our continued collaborations and partnership built on the belief that all people are worthy of investment, and that we *all* do *better together*.

Victor Azios, Executive Director

Hispanic Ministries (No Report Received)

St. Vincent’s House

St. Vincent’s Episcopal House is a social service mission of the Diocese of Texas. It began in 1954 under the direction of the Rev. Fred Sutton of St. Augustine of Hippo as an outreach Ministry of that parish.

Project Client Base/Fiscal Agent: St. Vincent’s House is a full service social service agency, open daily and located in Galveston and serving the poor and working poor on the Island and all of our currently distressed and increasing diverse neighbors who are struggling in the current economic downturn. Our Executive Director and Fiscal Agent is Michael Jackson. *EIN: 74-1384864, DUNS: 825794571. We are CCR registered.*

Ongoing Primary Programs at St. Vincent’s House include: Low-Cost Child Care, Free Medical Health Care for the Uninsured, Food Pantry, Emergency Assistance including Salvation Army Vouchers, Referrals and Community Outreach Services, Transportation Service, Wel-Care Outreach and Video Program and the site of the Galveston Alternative Educational Center.

Current Operations: Due to the consistent performance of the direct services provided by St. Vincent’s House, we have become the provider of “choice” for much of Galveston’s population. The combined effects of the after effects of Hurricane Ike on the poor and the national economic downturn have been devastating in Galveston County. Our effective and rapid service delivery has made us the number one provider referred by the “211” system. Therefore, the demand for our services has risen dramatically. We are serving a rapidly changing demographic that truly reflects the cultural disposition of the Island. Moreover, UTMB has not fully returned to its prior functionality, and we have become the Health Care provider of choice for the large numbers of uninsured and underinsured residents of Galveston. Due to UTMB’s cessation of Mental Health Services, our psychiatric clinic is operating well above capacity, and we have consistent level of clients we cannot serve.

Who We Serve: In 2011, St. Vincent’s House provided 64,334 units of its core services. We served 6,289 clients in our food pantry. We served 1,510 clients for our Annual Thanksgiving Feast. We served 7,069 clients in all of our combined clinics.

There were 113 children served in 2011 from 105 families. We had 3,950 clients identify themselves as homeless. Of our total clients, 52,705 required some form of immediate emergency assistance. Our Transportation Van provided 14,714 rides which included rides to medical services. We served 533 clients with services such as emergency assistance to provide rent that prevented eviction and homelessness and utility cut off assistance, at a cost of \$46,382.93. We provided 3,881 nights at the Salvation Army for homeless clients at a cost of \$19,505.00.

Success Story: Our “Last Chance” Alternative School graduated 98 students in June, and all of our preschool graduates were accepted in private schools.

Staying the Course: The economy of Galveston has not recovered at the same rate as the economy of nearby Harris County due to our size and the lack of oil-related industry. Although we had a wonderful 2012 tourist season, that had little impact on our primary client base, those that staff the hospitality industry, which pays near minimum wage. Our Challenge: Hunger Levels on the Gulf Coast.

As of July 30, 2012, St. Vincent's House has provided 4,420 clients with food from our food pantry. As of July 20, 2011, that number was 3,586, an increase of 834 families needing food. That translates into a 23% - nearly ¼ increase in a year. For many of the students in our Alternative School and Preschool, the meals they receive at St. Vincent's are their primary meals for the day.

Food insufficiency in Texas continues to rise in 2012. The populations of Harris and Galveston County both rank highly in terms of residents who receive Food Stamps and those populations are fluid, moving frequently across county lines. Harris County ranks 1 in Texas with 380,664 SNAP recipients and Galveston County ranks 16th with 28,428 SNAP residents out of the 254 counties in the State of Texas. In Galveston County, that translates to approximately 11% of the estimated total population. In the City of Galveston, 60% of the children in G.I.S.D. are eligible for free or reduced lunch. It is important to explain that these are not families on public assistance; these are hard working families with low- to moderate-income jobs struggling to keep food on the table.

Rise of Homeless Clients: There has been a dramatic increase in the number of people needing our help. We had 3,950 homeless clients in 2011 and 3,445 homeless in 2010. In 2005, we only had 1,646. As of August 30, 2012, we had 2,544 clients identify themselves as homeless.

The management at St. Vincent's House is being proactive about this situation. We are currently adjusting our intake system in order to gather additional performance measures that would begin to better identify these clients. We have added indicators for veterans and disabled clients. And, we have formed a partnership with U.S. Vets, a residential program in Houston that is helping to at least relocate those who have served our country and find themselves living on the streets.

ST. VINCENT'S HOUSE BUDGET 2012

<u>INCOME</u>	
EPISCOPAL DIOCESE MISSION FUND	\$ 35,000
EPISCOPAL FOUNDATION	100,000
ST. LUKE EPISCOAL HEALTH CHARITIES	90,000
ST. MARTIN'S EPISCOPAL CHURCH	10,000
ST. THOMAS THE APOSTLE CW	5,000

ST. CHRISTOPHER	4,000
ST. GEORGE EPSICOPAL	<u>600</u>
TOTAL AFFILATED ORGANIZATIONS	\$244,600
CLINIC	\$ 5,000
CLINIC RX	0
DIRECT AID RX	0
DIRECT AID FINANCIAL ASSISTANCE	0
DIRECT AID FOOD PANTRY	0
DIRECT AID SHELTER	0
DIRECT AID MISCELLANEOUS	20,000
EDUCATION/RECREATION	0
CAMP ALLEN	2,500
PRESCHOOL	10,000
ALTERNATIVE SCHOOL	<u>5,000</u>
TOTAL CONTRIBUTIONS/DONATIONS	\$ 42,500
BROMBERG CHARITABLE TRUST	\$ 5,000
GEROGE P. MITCHELL	0
HOUSTON ENDOWMENT	110,000
MARY MOODY NORTEN	10,000
SHIELD-AYRES FOUNDATION	15,000
SIMMONS FOUNDATION	50,000
MOODY FOUNDATION	5,000
MEADOWS FOUNDATION	35,000
ROCKWELL	16,000
BAXTER	25,000
ACAM	14,000
CATHOLIC CAMPAIGN	25,000
FIRST PRESBYTERIAN	8,000
TEXAS/CJD	69,120
RELIANT ENERGY CHARITABLE FOUNDATION	<u>10,000</u>
TOTAL FOUNDATIONS	\$397,120
COMMUNITY DEVELOPMENT BLOCK	\$ 5,000
TRAVIS FANNING	5,000
HARRIS & ELIZA KEMPNER FUND-OPE	24,000
PE MOODY MEMORIAL	40,000
VALERO	25,000
JUNIOR LEAGUE	1,000
WOMEN OF ST CHRISTOPHER	2,000
GEORGE BALL CHARITABLE	3,000
BP CHEMOCAL	10,000
JUBILEE	1,000
CITY OF GALVESTON-HOTEL/MOTEL	<u>5,000</u>
TOTAL GRANTS	\$121,000
UNTIED WAY Y CFC	\$ 0
UNITED WAY CI	50,000
UNTIED WAY DESIGNATED	5,000
UNITED WAY SECC	<u>10,000</u>
TOTAL UNITED WAY	\$ 65,000

NEWSLETTER	\$ 5,000
REBATES/REFUNDS	0
STV DAY	1,000
RAP IT UP BLOCK PARTY	<u>0</u>
TOTAL MISCELLANEOUS INCOME	\$ 6,000
CLIENTS	\$ 35,000
NCI	1,000
SCHOLARSHIPS	1,000
BREAKFAST PROGRAM	<u>17,000</u>
TOTAL PRESCHOOL FEES	\$ 54,000
GOSPEL BY SEA	<u>\$ 10,000</u>
TOTAL SPECIAL EVENTS	\$ 10,000
<u>TOTAL INCOME</u>	<u>\$940,220</u>

EXPENSES

SALARY	\$ 92,964
FICA	7,110
PENSION	7,613
INSURANCE	8,088
TRAINING/CONFERENCE	4,000
STAFF APPRECIATION/SPECIAL EVENTS	1,500
CONTRACT LABOR	2,000
PROFESSIONAL MEMBERSHIP	2,500
COMMUNITY RELATIONS/PUBLICITY	1,000
PRINTING/NEWSLETTER	3,000
POSTAGE	2,000
FIXED COSTS	<u>50,381</u>
TOTAL ADMINISTRATION	\$182,156
SALARY	\$200,835
FICA	18,074
PENSION	15,362
INSURANCE	660
SPECIAL EVENTS:	
FIELD TRIPS, GRADUATION, & HOLIDAY CELEBRATION	3,500
CACEF FEES	2,000
TRAINING/WORKSHOPS	3,500
CONTRACT LABOR	1,000
FOOD PROGRAM	16,500
SUPPLIES/EQUIPMENT	2,000
PERIODICALS	100
ACTIVITIES/EDUCATION	1,500
FIXED COST	<u>57,099</u>
TOTAL PRESCHOOL	\$322,130
CLINIC	
SALARY	\$ 65,980

FICA	5,048
PENSION	3,238
INSURANCE	792
SPECIAL EVENTS	500
CONFERENCE/TRAINING	1,500
PROFESSIONAL FEE	3,500
EQUIPMENT/SUPPLIES	2,500
PERIODICALS	500
CONTRACT LABOR	1,000
FIXED COST	<u>60,450</u>
TOTAL CLINIC	\$145,008
TRANSPORATION	
SALARY	\$ 19,570
FICA	1,497
PENSION	1,761
MAINTENANCE	6,500
GAS	10,500
VEHICLE INSURANCE	5,000
REGISTRATION/INSPECTIONS	<u>450</u>
TOTAL TRANSPORTATION	\$ 45,278
WELCARE/DIRECT AID	
SALARY	\$ 30,900
FICA	2,364
PENSION	2,781
INSURANCE	0
EQUIPMENT/SUPPLIES	1,000
TRAINING/CONFERENCE	1,000
SHELTER/SALVATION ARMY	15,000
FOOD PANTRY	10,000
PRESCRIPTIONS	3,000
GAS	1,000
FINANCIAL ASSISTANCE	30,000
RENT	0
UTILITIES	0
MISC.	0
SPECIAL EVENTS	<u>5,000</u>
TOTAL WELCARE/DIRECT AID	\$102,045
SALARY	\$ 56,902
FICA	5,121
SUPPLIES	1,300
CONTRACT LABOR	5,000
FILED TRIPS	<u>797</u>
TOTAL CJD/ALTERNATIVE SCHOOL	\$ 69,120
<u>TOTAL EXPENSES</u>	<u>\$865,746</u>
ADDENDUM	
ELECTRICITY	\$ 15,000

GAS	1,500
WATER	4,200
PHONES	9,600
CELLULAR	2,000
CABLE TV	200
LICENCES/FEES	4,000
ACCOUNTING/BOOKKEEPING	12,000
AUDIT	7,500
TAXES	500
XEROX	10,000
INSURANCE	28,929
MAINTENANCE SALARY	31,401
BENEFITS	2,109
SECURITY	2,000
A-1	1,000
EQUIPMENT/SUPPLIES	5,000
CONTRACT LABOR	15,000
ELEVATOR	4,000
PEST CONTROL	1,000
AC REPAIR	5,000
PLUMBING	2,500
ELECTRICAL	3,500
TOTAL FIXED COSTS	\$167,939

Michael Jackson, Director

Division of Renewal

Armed Forces

(No Report Received)

Cursillo

(No Report Received)

Faith Alive

(No Report Received)

Kairos Prison Ministry

Kairos Prison Ministry, founded in 1976 and brought to Texas by an Episcopal priest in 1986, had another good year in 2012. This fourth-day program, originally called "Cursillo in Prison," has grown every year of its existence. Kairos Inside (KI) added the Lockhart Men's Unit to the ministry and initiated another chapter of Kairos Outside (KO) in the Tyler-Longview area called Kairos Outside East Texas. These additions brought the number of men's and women's prisons served by KI to 40 and the number of regions covered by KO to 10 in Texas. The target audience of KO is the women dear to the men in prison. The objective is to give these women the support of Christ-centered team members and an experience that parallels the short course in Christianity (Kairos) received by their loved ones in prison. The year 2012 also brought the reactivation of Kairos Torch (KT) in the state. This ministry is aimed at incarcerated youth.

Kairos Outside and Kairos Torch begin with two-and-a-half day weekend events; Kairos Inside begins with a three-and-a-half day spiritual event. Each program is led by an ecumenical team that returns either weekly or monthly to encourage the participants and increase their faith. Just as with Cursillo, the “fourth day,” or the continuing ministry, is the focus of the ministry. As with every ministry, there are not enough workers in the vineyard. Many of the KI and KO ministries are operating “short” of the required volunteers. Cursillo graduates and all Episcopalians in good standing are encouraged to apply to be a team member of one of these three Kairos ministries that we gave birth to in Texas. The current representative to the Kairos State Board is the Diocesan Coordinator of Restorative Justice, Dr. Ed Davis. He may be reached at (936) 662-3842 or edsalpc@yahoo.com.

Ed Davis, Liaison

Vocare

(No Report Received)

Division of Wider Ministries

World Mission

The World Mission Department is broken into three parts. They are the Companion Relationship with the Diocese of Southern Malawi, the Small Grants Committee, and the Millennium Development Goals.

For 2013, the World Mission Board will ask for an additional \$4,000 from last year.

Small Grants

In the Small Grants area, we spent \$3,000, applied for by St. Andrew’s Episcopal Church, Bryan, Texas, for a mission to the Navajo Nation; \$1,500 sent to the Episcopal/Anglican Diocese of Egypt to fund the purchase of musical instruments for children in Menouf, Egypt; approved the funding of tuition for an MDiv education for the Rev. Makweya Chanza in S. Malawi totaling \$2,500; approved a grant of \$1,000, applied for by *Honduras Good Works* for a Medical Mission in El Paraiso, Honduras. One request from before was sent back; Timothy Biswas with Life Bangladesh, was granted \$3,000 toward smokeless ovens and food, requesting the appropriate follow-up.

The Rev. Carol Petty will be replacing the Rev. David Sugeno as the new chair of the Small Grants Committee.

Companion Relationships

We are looking at other Companion Relationships. The Rev. Al Rodriguez, the Rev. Meredith Holt, and Austin Bay traveled to Costa Rica to explore the idea of a Relationship with that Diocese. We spent \$5,000 to cover those expenses. It was also proposed that we look to establishing a Companion Relationship with North Dakota. There is a small part of the Sioux Nation on a reservation there. The Rev. Eric Hungerford, Bonnie Weber, and the Rev. Ted Hervey will head up in the spring. This would complete our intention on having an African relationship, a relationship in this hemisphere, and a domestic relationship.

We will invite our Bishops to connect, and possibly invite Bishop Montorroso, companion officer and one other, to Texas to meet. This will cost roughly \$5,000.

We welcomed Joyce and Temwa from Southern Malawi who did a presentation on the Mother's Union Literacy Program they have started at Clergy Conference. A Parish to Parish letter to 25 Parishes who have agreed to sign up with a church in Southern Malawi. A cover letter will be sent by Bishop Harrison. This is supposed to be about personal relationships. Churches are to share about themselves and list items that need to be prayed about. Expect to hear about the descriptions for scholarships for elementary students. The Rev. Robert Vickery may be doing his next sabbatical in Southern Malawi.

Funding of \$10,000 for the 4th year of our 5-year commitment for a project administrator (for the 4th year, we pay 2/3 of the cost) and \$8,000 for partial support of project management expenses in Malawi.

As the inflation rate in Malawi has almost doubled, a request of \$10,000 for Bishop Tengtenga discretionary fund to help him cover expenses.

Bishop Tengtenga was here in June and spoke at St Martin's and St John the Divine. Both churches are united and have pledged to fund \$80,000 for water wells. Funding for seven is already done.

Millennium Development Goals

At our April meeting, the board voted to approve the move of \$7,500 from the MDG line item to Warm Heart International to be dispersed to the Diocese of South Sudan for the building of a guest house. We also approved to send \$12,500 to Episcopal Relief and Development. We sent \$14,000 to Good Works Honduras. We know they have various fundings, and there are many connections we have in Honduras. We also approved sending \$10,000 to the Mother's Union in Malawi. We are checking with the Sudan to understand what the next step in their project will be. We are also looking at repairing a water purification truck in Haiti.

Our next meeting will be on Thursday, December 13th at 10:30 a.m. at the Diocesan Center in Houston.

Ted Hervey, Chair

Millennium Development (No Report Received)

Ecumenical and Inter-Religious Affairs

The Ecumenical and Inter-Religious Affairs Committee of the Episcopal Diocese of Texas is a newly formed committee in October 2012 whose mission is to build relationships with all Christians and inter-religious groups to promote peace, justice, and love. Within the geographic area of the Diocese of Texas, Houston is now "the most culturally diverse metropolitan area in the US," and other parts of Texas are also experiencing an increasingly diverse population of different faiths and cultures. These changes affect the way we serve and do ministry. Our vision is to work toward building ecumenical and inter-religious relationships through conversations and increased capacities for understanding at both the local and global levels, and to build trust, engender reconciliation, and promote peace for the benefit of society.

The committee members dedicated to this work are the Rev. Howard Castleberry, rector, Christ Church, Nacogdoches; the Rev. Robin Reeves, rector, St George's, Texas City; the Rev. Betty Adam, resident canon theologian, Christ Church Cathedral,

Houston; the Rev. Martha Frances; the Rev. Alex Montes, vicar, St. Mary Magdalene, Manor; the Rev. Uriel Osnaya-Jimenez, vicar, Santa Maria Virgen, Houston; the Rev. Rob Leacock, chaplain, St. Andrew's Upper School, Austin; the Rev. Johannes George, vicar, Christ the King, Alief; the Rev. Judith Liro, associate rector, St. George's Austin, and the Rev. Gena Davis, chair, vicar, Grace, Houston.

The Right Reverend Jeff Fisher provides oversight to both the division of Ecumenical/Inter-Religious Affairs and The Texas Conference of Churches. We are blessed with his leadership, vision, and passion in developing and promoting ecumenical and inter-religious relationships. Bishop Fisher is also actively engaged in dialog and ecumenical partnerships in Tyler.

The committee developed and recommends for approval at the 164th Council of the Diocese of Texas two resolutions regarding ecumenical and inter-religious relations:

1. A Resolution on the Need for Increased Awareness of Other Faiths; and
2. A Resolution Declaring the Diocese of Texas a "Compassionate Diocese" (based on the Charter for Compassion, "a cooperative effort to restore not only compassionate thinking, but more importantly, compassionate action to the center of religious, moral and political life"...<http://charterforcompassion.org>)

The Diocese of Texas supports the mission and efforts of the Texas Conference of Churches (TCC), whose purpose is to create opportunities for all Christians to come together to learn, worship, vision, and build relationships. As Chair of this Committee, I currently serve as a Board member of TCC (second year of three-year term). During March 2012, TCC offered a Houston assembly, focused on ministry to and for immigrants in the changing landscape of Texas. Speakers included Dr. Stephen Klineberg of the Kinder Institute, Rice University; Oscar Fuentes, Jr.; the Rev. Linda Shelton, deacon, Palmer, Houston; and the Rev. Tim Marquez.

The Diocese of Texas also supports the mission and efforts of Compassionate Houston, a non-profit organization founded by the Rev. Betty Adam of Christ Church Cathedral; and the Interfaith Peace Garden in Houston, a project of the Institute of Interfaith Dialog.

I am deeply privileged and honored to chair this committee and will assist in every way that I can to the ecumenical and inter-religious work of awareness, education, dialog, partnerships in ministry, peace building, and reconciliation. Thank you for the opportunity to serve in this capacity.

Gena Davis, Chair

Division of Worship

Liturgical Commission

Our mission is to assist the bishop of the diocese in his role as chief liturgical officer and provide resources to support and materials for the training of others who function in the liturgy; support the annual and other liturgical events of the diocesan community; and network with the national Liturgical Commission, seminaries, and academic community and others who shape the continuing development in the understanding and practice of the liturgy of the church.

The Liturgical Commission continues to be involved with coordinating diocesan worship services including Clergy Conference Eucharist, the Deacon's Ordination, and

Diocesan Council Eucharist. We have continued to refresh the resources available through our diocesan Web site in an effort to facilitate effective liturgical planning. We continue to collaborate with the Music Commission and their work. We have been in collaboration with the Canon for Lifelong Christian Formation, the Rev. John Newton, to provide liturgical workshops for formation conferences.

Kevin LJ Schubert, Chair

Music Commission

By appointment of the Bishop, the Music Commission serves the laity and clergy of the Diocese of Texas by providing support and educational services. Members assisted during the year with our newsletter, music for Diocesan events, Choir Camp, workshops for Diocesan groups, the Youth Choral Festival, or the Adult Choral Festival. The Music Commission, which meets on a quarterly basis, consists of 24 members and three ex-officio members. The Music and Liturgical Commissions have continued their communication this year.

Our bi-annual newsletter, *Exultate Deo*, was mailed to about 750 interested clergy, organists, music directors, and singers, and is posted on the Diocesan Web site, on the Music Commission's Web page. It features articles of interest, suggested hymns selected by Commission members, and information about Music Commission events. Increased postal regulations and expenses will force it to be available for download only in 2013. The enhanced diocesan Web page has allowed us to post registration forms and information about our events, aiding our communications efforts.

We began our reporting year in January with the 8th Annual Youth Choral Festival at Christ Church Cathedral. The festival was lead by guest conductor Ann Teagarden. The choristers joined together for a inspiring Epiphany service of readings and anthems. As we finished and left for home, directors received word of the death of Dr. Gerre Hancock, our friend and mentor. Dr. Hancock's Requiem Mass was held in New York at St. Thomas' Church in February. I was able to attend as part of the University of Texas Sacred Music Department, and several other diocesan musicians were in attendance.

Our plans to hold a "Festival for Spring Feasts" in the Austin Convocation in May was planned and publicized, but the event was cancelled due to poor advance registration. The 20th Annual Diocesan Choir Camp was held again at Blinn College, Brenham, and St. Peter's, Brenham, in July. Twenty-three choristers were enrolled for the week, with Courtney Daniell-Knapp of Palmer Church, Houston, as the guest conductor. Campers were housed at Blinn College with local field trips for recreation and a service project at Kruse Village. At the end of the week, a "Blast from the Past" musical and a closing family service were held, showcasing the anthems that the children learned. The Music Commission partnered with the Commission on Black Ministry and with the participants' parishes to honor all Choir Camp scholarship requests.

The 53rd Annual Diocesan Choral Festival was held on Saturday and Sunday, October 20 and 21, 2012, at Christ Church Cathedral. Our own Canon Robert Simpson conducted the Festival Service, "Claim the High Calling," which was in memory of Dr. Gerre Hancock. Guest organist Todd Wilson played a fantastic recital on Saturday evening and organ voluntaries for the Festival Service.

Music Commission members have been available to assist with several Diocesan events this year, including Diocesan Council, the Daughters of the King Assemblies and Triennial, the Iona program, and Clergy Conference. Our Exhibit booth was staffed at Diocesan Council and served as a place for informal consultations. One of the ongoing projects of the Music Commission is to provide workshops and individual consultations by Commission members for parishes and missions within the diocese. Any parish needing assistance with music, instruments, or resources may utilize this service. Our events in 2013 will include a Youth Festival at Christ Church Cathedral in January, conducted by Marianna Simpson, Choir Camp in mid-July in Brenham, and an Adult Choral Festival in October at the Cathedral. We will publish our e-newsletter in the spring and in the fall. As the work of the Commission is re-evaluated next year and we continue our work with small committees planning our events, we look forward to another year with successful events and opportunities for service.

Linda Patterson, Chair

SERVICE AND PASTORAL CARE UNIT

Division of Human Need and Social Concern

Lord of the Streets Episcopal Church and Community of the Streets Outreach

LORD OF THE STREETS EPISCOPAL CHURCH

Mission Statement

The mission of Lord of the Streets Episcopal Church and Community of the Streets Outreach is to minister to the spiritual, emotional, physical, and social needs of individuals living in Houston who are homeless, in crisis, or in transition.

Historical Background

In March 1990, Lord of the Streets Episcopal Church (LOTS) began a Sunday Eucharist to minister to approximately 215 homeless individuals, located in the downtown and Mid-town area of Houston. The service is followed by a full breakfast where volunteers personally serve each individual at the table, regardless of attendance at the service. The breakfast is prepared and served by cook and serve team volunteers from our supporting congregations and corporate sponsors.

Additionally, Lord of the Streets provides daily and weekly spiritual support and encouragement through a series of spiritual worship services; Bible Study is offered Monday through Friday, weekly Noon Day Prayer is available on Monday and Wednesday with approximately 120 homeless men and women attending services, and ongoing pastoral care is readily available.

As LOTS continued to serve and minister to the hearts of those less fortunate – the community responded to the fellowship and to the atmosphere of trust and respect, thereby the community began to share their needs for; clothing, transportation, state identification, birth certificates, etc. with the staff and volunteers of LOTS.

In 2003, Community of the Streets Outreach (COTS) Corporation was founded and established as the outreach arm of Lord of the Streets Episcopal Church (LOTS) to serve as a social service provider and advocate for the homeless and disadvantaged.

Church Ministry

2,850	Weekly Bible Study Monday thru Friday, 8 am to 9 am
900	Weekly Noon Day Prayer Monday and Wednesday, 11:30 am
10,400	Sunday Eucharist and breakfast service at 7 am and breakfast at 8 am

4 Baptisms in 2011

LOTS Governing Body

Bishop Committee Members:

The Rev. Robert “Bob” Flick, Vicar
Brad Alexander, Good Shepherd, Kingwood
Susan Bowen, Church of the Holy Spirit
Caren Thomas, Christ the King, Atascocita
Will Symmes, St. John the Divine
Tom Tellepsen II, St. Martin’s

Carol Lake, St. Martin’s
Paul Hanson, St. Mark’s
Will Taylor, Trinity, Houston
Laura Daughtrey, St. Francis’
Andy Johnson, St. Dunstan’s

COMMUNITY OF THE STREETS OUTREACH

Building on LOTS’ twenty plus years of experience serving the homeless and poverty stricken population in downtown Houston, COTS has carefully designed programs that holistically address the critical needs of those less fortunate.

Since its inception, COTS has been a beacon of hope and stability for the men and women who struggle with homelessness, hunger, unemployment, lack of healthcare and poverty. We open our doors to the most vulnerable and give a hand up by addressing the barriers that contribute to homelessness and providing critical services to improve their quality of life.

Community Outreach

In 2011, COTS outreach activities contributed to transforming lives and addressing immediate and crisis needs of Houston’s homeless and indigent population.

- Case Management: 414 individuals received individual needs assessment, and development and implementation of a plan to access services that address basic and immediate need for employment, housing, and/or healthcare.
- Job Training: 24 individuals acquired needed job skills to qualify for employment.
- Shelter: 157 individuals received emergency shelter (short-term), transitional housing (long-term w/supportive services), or permanent housing (long-term).
- Healthcare: 1,272 uninsured individuals received healthcare through our collaborative clinic with Harris County Hospital District (HCHD) that focuses on primary care and preventive care education.
- Optical Care: 2,160 individuals received eye exams, prescription glasses, or reading glasses.

- Official Identification Documents: 2,658 adults and children received financial assistance to obtain birth certificates to meet school and housing requirements. 2,456 individuals received financial assistance for Texas state identification.
- Food: 10,578 hot breakfasts served after Sunday worship and 23,479 brown bag lunches distributed on week days.
- Transportation: 1,440 Metro bus passes were provided for travel to medical appointments.
- Transitional Housing: 32 residents in the NOAH program operated by The Aids Foundation and funded by HUD were housed in our residential facility.

Governing Body

Community of the Streets Outreach is a unique ministry springing from the heart of the Episcopal Church, committed to serving those less fortunate under the auspices of Lord of the Streets and the Diocese of Texas.

COTS Board of Directors

Tim Arnoult, President
 Al Atkinson, Vice-President
 James Barron, Vice -President
 Liz Tulloch, Vice-President
 Dr. Brenda Ards
 J. "Smokey" Durham
 Scott Hickey

Paul Galasso
 Paul Gregor
 Bilinda Matusek
 Buck Ogilvie
 Jim Sadler
 Dr. Katy Ziegler

Supporting Congregations

The spirit of Community of the Streets Outreach is sustained through the financial and volunteer support of its supporting parishes and other religious community partners.

St. Stephen's
 St. John the Divine
 Trinity, Houston
 St. Martin's
 Good Shepherd, Kingwood

Christ the King, Atascocita
 St. Dunstan's
 Church of the Holy Spirit
 St. Mary's
 St. Anne's Catholic Church
 Thelisa Palmer, Executive Director

Recovery Ministries

(No Report Received)

Bioethics Commission

(No Report Received)

Restorative Justice Ministries

Restorative Justice Ministries is multifaceted. Ministry is directed at the incarcerated, families of the incarcerated, formerly incarcerated persons (releasees), children of the incarcerated, and crime victims. Ministry to the incarcerated is accomplished through direct contact with inmates, including pastoral visits, Kairos Prison Ministry, and the Bridges to Life program. (See the entry elsewhere in the *Journal* on Kairos.) The Coordinator of Restorative Justice and several members of the Restorative Justice

Ministries Council (see below) participate in both of these ministries and recruit Episcopalians and other Christians to engage in these ministries and others, such as mentoring, Bible studies to inmates and community education on peacemaking, the legal process, and victim rights. In the past year, the Coordinator was given the names of newly sentenced Episcopalians and was able to reach out to them offering pastoral visits and encouragement.

Families of the incarcerated are often overwhelmed, grieved, and confused by the legal system and the Texas Department of Criminal Justice policies and procedures. The Coordinator is available to answer questions and assist in many ways. In a psychological sense, families “do time” also and often need assistance from local sources. The Coordinator strives to provide “where to go,” “who to see,” and “what to do information” as needed. The same type of information is often needed by new releasees and, again, the Coordinator strives to provide answers. As a matter of course, the Coordinator sends a letter to every Episcopal and Kairos releasee to encourage their faith walk. In addition, emergency financial aid is provided on occasion by obtaining critical prescriptions, paying utility bills where power is about to be cut off, or securing bus tokens to help releasees interview for jobs or obtain interstate bus tickets to get home. (Releasees from out of state are only given fare to the state line!) Assistance is almost always in the form of making payment to the company or business that can provide the good or service rather than transfer funds to a person the Coordinator may not know beyond the telephone call seeking aid.

Victims likewise have special needs, some of which the church can meet through pastoral care and education about the legal system. Difficult situations often make us run and hide. Caring is vitally important to healing, and the Restorative Justice Ministries Council and Coordinator are available to help.

A special activity under the restorative justice umbrella is Camp Good News for children of the incarcerated. The 12th edition of camp was held in June 2012. Camp went very well. The usual camp activities—swimming, canoeing, archery, horseback riding, ropes, games, the “big” swing and blobbing into the lake—all were a part of camp too. As usual, very good Christian education and worship took place. Camp Good News prides itself on that!

The children, counselors, and adults frankly had a blast beyond the norm as yoga and drumming were inserted into the activities as part of the arts and crafts activities. The team that came in to help us with these activities used both activities as real teaching events. Boys and girls were separated for these two events in order that gender specific instruction could take place. Yoga instruction emphasized good health and ways to deal with stress and frustration; the drumming instructor emphasized the holy temple of the body and what it means to be a real man or woman. The Coordinator, the Restorative Justice Ministries Council, and camp staff thank the missions and parishes that assist Camp Good News with financial aid and transportation support.

Education of parishes and missions about the legal system, prisons, obstacles in the path of releasees, and new thinking about society’s response to crime, victims, and offenders is an important activity of the Coordinator. The two Sundays before Thanksgiving are a part of Restorative Justice Week in the world, and the Coordinator and members of the Restorative Justice Ministries Council encourage our churches to preach/teach on restoration and transformation on one of the two designated Sundays.

The Coordinator and Council members are available and eager to speak at diocesan churches on these topics and justice issues on any occasion.

The Restorative Justice Ministries Council exists to assist the Coordinator in planning restorative activities. These men and women, lay and clergy, meet at the call of the Coordinator to think together about how the church can meet Jesus' call to serve the prisoner and those hurt by crime—the victims and the neighborhoods traumatized by crime. Each member is engaged in some relevant ministry activity and is able to bring to the board experience different from the others. Individuals in the diocese desiring to serve on the council, please contact the Coordinator, Dr. Ed Davis at (936) 662-3842 or edsalpc@yahoo.com. Information on Camp Good News is available at www.campgoodnews4kids.org.

Ed Davis, Coordinator

Episcopal Community Outreach Ministries

(No Report Received)

Episcopal Relief and Development

(No Report Received)

Episcopal Migration Ministries

The Diocese of Texas continued its support of Episcopal Migration Ministry (EMM), the refugee resettlement and immigrant advocacy program of the Episcopal Church, in 2012. Refugees are defined by the world as persons who have been forced to flee their home countries due to persecution based on their race, ethnicity, religion, membership in social groups, or political opinion. EMM, in its partnership with the U.S. State Department and other faith-based and public agencies, resettles refugees throughout the U.S. with the assistance of local affiliate agencies that provide the casework services. Refugees are resettled in our diocese in Austin and Houston through Refugee Services of Texas (RST) in Austin and Interfaith Ministries for Greater Houston (IMGH). At the heart of the program are Episcopal parishes and other faith communities supporting resettlement of refugees in a variety of ways, including donations, mentoring friendships, networking, cultural orientation, and co-sponsorship.

As the liaison for this ministry, I share information about refugees, the world situations that force them to leave their homes and be resettled in the U.S., and I seek active support for their needs and for those of IMGH and RST, the affiliates who serve them. Austin churches were asked to give to the RST Christmas drive for toys and gifts for refugees, and Amanda Masterson, member of St. Luke's on the Lake, Austin, and an advisory board member, was instrumental in collecting and distributing these gifts and also coats. St. Luke's on the Lake has given to this effort through the years, and St. Michael's, Austin, gave generously to RST for emergency needs for a family who were victims of human trafficking. An informational presentation was then made to St. Michael's in January about RST and refugees, and they welcomed and co-sponsored (provided furnishings, household goods, groceries, clothing, first month's apartment rent, friendship, and transportation) a refugee family from Iraq in June. St. Alban's, Austin, continued to be advocates for refugees, sharing their experiences with other churches, and co-sponsored another family in December. In February, they worked with

Episcopal Migration Ministries' media team, and they were featured in a new video about their preparing to co-sponsor another refugee family which was shown at General Convention and now appears on our diocesan Web site at www.epicenter.org/migration. Their joyful photos were also used on the newest EMM print publications, which have been distributed to our Austin and Houston churches and are available to other interested churches.

A "Ride for Refuge" bicycling fundraiser was held in Austin in February by RST, and information was shared with all the Austin area churches. In August, I was pleased to welcome the Rev. Sherry Williams, Deacon assigned to St. Michael's, Austin, and St. Christopher's, Austin, to share responsibility for this ministry in the Austin Area. She has distributed new EMM packets of information to the clergy of Austin at their Clericus meetings, has preached on refugee issues, and has created and shared a new display board on refugee resettlement for sharing with churches when she visits. In October, she worked with several of these Austin churches to help meet emergency needs for donations for a single mother and child served by RST.

Good Shepherd, Tomball, conducted a Lenten donation drive for refugees under the direction of the Rev. Bob Lowry, Deacon, who was a diaconal student in formation there. They, and Holy Comforter, Angleton, invited me to present information to their parishes at Sunday services, and generous furniture donations resulted. I met with a women's group in Houston, Anglican Women Empowered (AWE), a group that originated from Brigid's Place at the Cathedral. Grace, Houston, donated furniture and household goods. Palmer Memorial, Houston, committed and prepared donations to co-sponsor another family in the fall.

Information on EMM was shared at a booth at Diocesan Council in February. In March, I presented information on refugee resettlement at the Texas Conference of Churches' program on immigration in Houston. Work began in the spring with Interfaith Ministry on planning an ecumenical advisory group of representatives of churches to build support within Houston, and I participated in planning teams that began meeting for the city of Houston's celebration of World Refugee Day. Our diocesan exhibit tells the story of the path of a refugee and was featured as the education piece for the celebration. It has been sought out for use by several other community groups in the fall including a synagogue, Vox Culture--an arts and advocacy group, and by Houston's Neighborhood Centers' Citizenship Week Celebration. It was also used at an August meeting of churches, hosted at Palmer Memorial for Interfaith Ministry to tell the story of refugees and the opportunities for church engagement. Episcopal churches in the Houston area were phoned, mailed packets of information, and invited in July to attend this event, and a few separate meetings with outreach coordinators resulted.

Whether in Austin and Houston, where churches can work directly with refugees, or in neighboring churches across the diocese where churches can learn about refugees and gather donations and send them to the local affiliates, Sherry Williams and I are available and eager to visit parishes and share this ministry with them. Please let us know how we can help your church join in welcoming the stranger and the transformation of lives, both theirs and ours, as we journey together in this life-saving ministry.

Linda Shelton, Liaison

Jubilee Ministries
(No Report Received)

Seafarers' Ministry

Imagine living with the people with whom you work—24 hours a day for weeks at a time without a full day off. Imagine living apart from your family for months at a time with only sporadic contact with them. Imagine being apart from your church family and your network of friends. Imagine never “hearing” silence due to the roar of the engine, or “feeling” solid ground that wasn’t vibrating and moving. Imagine all these realities, and you are coming close to understanding the life of a seafarer—coming close to understanding the lives of those who bring us 95–98% of all the goods and products we consume.

When one can’t go to church, the Church comes to them. Seafarers’ Ministry is about representing Christ and His Church to those who love their families so much that they have had to leave them temporarily in order to support and provide for them. Port Chaplains make multiple home/workplace visits per day, coming in contact with an average of 120 seafarers per day onboard 6–8 ships.

World Mission? Multicultural Ministry? Interfaith Ministry? Service and Outreach Ministry? Pastoral Care? The Ministry of Hospitality? All of these ministries are what Seafarers’ Ministry is all about! Port chaplains visit seafarers onboard their vessels—assisting them with personal and spiritual needs; providing Bibles (47 languages available), Bible Study materials, and devotional booklets; celebrating shipboard communion services; communication assistance (phone cards, SIM cards, and Internet modems); and providing information about coming ashore to one of our Centers. The chaplains also touch base with others who work within the Port community, bless ships, pray and speak at maritime events, and are present at our two seafarers’ centers located on each end of the ship channel.

As your Episcopal Port Chaplain, I have given many presentations on seafarers’ ministry to churches and organizations seeking to understand and support seafarers’ ministry. I had the opportunity during 2012 to visit other seafarers’ centers in Tampa and Philadelphia and learn how other centers are finding new ways to serve seafarers in the midst of diminishing time for shore leave and ever-increasing security restrictions. The Anglican/Episcopal Church is the second most active denomination in the ministry to seafarers around the world.

The Episcopal Seafarers’ Ministry provides compensation for one full-time chaplain at the Port of Houston. This ministry is partially funded through pledges to the Missionary Budget of our Diocese; the remaining funds needed to maintain a full-time Episcopal chaplain presence are being raised through the efforts of a Fundraising Committee and the Episcopal Port Chaplain. Funding goals for 2012 have been met. If you would like to support this ministry in 2013 and beyond, please make checks payable to the “Episcopal Diocese of Texas,” and write “Seafarers’ Ministry” in the notation section; checks are mailed to the Diocese.

If you would like more information about this incredible multicultural, interfaith, world mission opportunity active in the Diocese of Texas, please check out our Web site at www.houstonseafarers.com, our Facebook Page: Houston International Seafarers’

Centers, Inc., or contact your Port Chaplain, the Rev. Lacy Largent, at (281) 620-7221 or motherlacy@yahoo.com.

Lacy Largent, Port Chaplain

Division of Pastoral Care

Safe Church Ministry

Throughout 2012, Safe Church Ministry has continued its primary mission: to provide, oversee, and support the training of members of our Diocese in our effort to protect children and youth from sexual abuse and adults from sexual exploitation and sexual harassment. The Safe Church office records the *SGChildren* and *SGPeople* trainings completed in our churches, schools, and institutions; supports our veteran trainers and prepares new ones for that ministry; answers myriads of questions on policy interpretation and best-practices; and provides guidance and support to the persons who have oversight of the Safeguarding records in their respective locations in the Diocese.

Beginning in March 2012, we introduced the Safeguarding Record System (SRS). It is an interactive, electronic system that replaces the paper documents which our policies require for Safeguarding certification. The System calls for each church, school, and institution in the diocese to have one or more Safeguarding Record Administrators to manage the System at their location. To date, we have trained SRAs for all entities in the Southwest and Austin convocations and most entities in the East, West, and Galveston convocations. The goal is to have SRAs in all of our diocesan entities by summer 2013.

Number and types of trainings that were offered by Safe Church office

SGC trainer training	6	(7 in '11)
SGP Clergy trainings	4	(4 in '11)
SGP/preventing sexual exploitation trainer training	7	(7 in '11)
SGP-preventing sexual harassment	3	(3 in '11)
Updates for SGC trainers	1	(1 in '11)
Online recertification Administrator's Training	5	(5 in '10)
SRA trainings	22	
Seminary of the SW SGC training	2	(2 in '11)
Seminary of the SW SGP training	1	(1 in '11)

Number of SGC trainers	221
Number of SGP trainers	125

Number of entities using online training	49	
Number of users of online training	914	(633 in '11)

Report on Goals set for 2012

- Have an SGC trainer in each congregation, school, and diocesan institution or have them partnered with a trainer near their location. Number of congregations with a trainer increased by 9. In 2013, we will continue regional trainings and invite entities without a trainer to send someone to be trained.

- Have SGP-preventing exploitation trainer in each congregation or partnered congregations. Added 10 congregational trainers in 2012. In 2012, continue regional trainings and contact rectors/vicars to encourage them to select someone to be trained for their church.
- Complete and place on the Web page a FAQ addendum to SGC and SGP policies. No additions in 2012. Re-evaluating useful materials.
- Post articles online to supplement SGC and SGP training. Reconsidering – currently using Constant Contact, group e-mail and conference calls.
- Use webinars for trainer recertification and updates and for Administrator trainings. O longer needed with SRS in place.
- Begin to develop five-year recertification plan for SGP and 2nd five-year recertification for SGC. Underway and to be implemented in 2012.
- Present SGP-preventing harassment training in all parts of the diocese. In 2013, will direct Diocesan institutions to online training by Praesidium.
- Work more closely with schools to respond to their unique Safeguarding needs and situations. Implemented paper record alternative with SRS. Continue reviewing and responding to unique school needs.
- Train and commission Master Trainers for SGC and SGP in the northwest and northeast portions of the diocese. One Master Trainer for SGC in Northeast; one Master Trainer in Houston for SGC Spanish trainings.

New goals for 2013

- Complete implementation SRS – “paperless” Safeguarding record storage and management – throughout the diocese.
- Start SGPeople – preventing sexual exploitation in Spanish-speaking locations.
- Bring current Safeguarding policies and practices into line with SRS procedures.

Host Churches

In 2012, we held SGC and SGP trainer trainings, SGP clergy-only and SRA trainings in host churches and in our Diocesan offices. This increased our accessibility and lowered the cost of training new trainers to churches and schools. Thanks to the following for graciously hosting SGC and SGP trainer trainings in 2012: Christ Church Cathedral, Houston; Holy Spirit, Houston; Seminary of the Southwest; Christ Church, Nacogdoches; Palmer, Houston; St. John the Divine, Houston; Calvary, Richmond; and St. Andrew's, Pearland.

Cecilia B. Smith, Safe Church Minister

Deaf Ministries

(No Report Received)

Chaplains to the Retired – Austin Area

The Diocese of Texas is divided into three areas for the retired chaplains to cover: Houston Area, Northeast and Southeast Texas, and the Austin Area. There are presently four chaplains serving in this capacity.

A highlight of the retired activities was the retired clergy, wives, and surviving spouses conference at Camp Allen in April. Fifty-five retired clergy and spouses, and seven surviving spouses from the Diocese of Texas attended. In addition, eleven retired clergy and spouses came from the Diocese of West Texas, plus one surviving spouse

from the Diocese of Ft. Worth. A selection of four presentations were available for attendees: Mark's Cooking Class, Estate Planning and Wills, Gray Matters, and New Ways to Look at Faith. St. Luke's Episcopal Hospital Wellness Group also came to the conference to provide health screening.

The Rt. Rev. Rayford High continues as the bishop in charge of retired chaplains. He is most ably assisted by Martha Harvey in the Tyler DOT office.

In the greater Austin Area, there are approximately fifty-seven retired Episcopal clergy from all dioceses of TEC. There are also forty-six clergy spouses and twenty-one surviving spouses.

The Rev. Mitchell [Mike] Keppler died on November 1st, All Saints' Day. Mike was a member of the WWII generation, the greatest generation. He landed on Omaha Beach with the third wave on D-Day. He was ordained to the priesthood in 1957 and served in the DOT for 33 years.

Roland Timberlake, Chaplain

Chaplains to the Retired – Houston Area (No Report Received)

Chaplains to the Retired – Northeast and Southeast Convocations

These two convocations cover the eastern part of the Diocese of Texas. As of the April report of the Church Pension Fund, there are 36 clergy persons, spouses, and surviving spouses residing in these two convocations. Of the clergy persons, 11 are canonically resident in the Diocese of Texas, and 5 are canonically resident outside of the Diocese of Texas, including one from a diocese outside of the U.S.

There are 6 surviving spouses, 3 from the Diocese of Texas and three from outside the Diocese of Texas.

The Reverend A. Hears, Rector of St Paul's Kilgore, died on August 8, 2012. Fr. Hears served several parishes in the Diocese of Dallas before coming to the Diocese of Texas.

The Reverend Thomas C. Woods, died on May 23, 2012. Fr. Woods served at St. Matthew's, Henderson, first as Vicar and then as Rector from 1978 to 1992.

The annual retreat of the retired clergy, spouses, and surviving spouses was held during Easter week. Retired clergy and spouses from the Diocese of Ft. Worth and the Diocese of West Texas joined us at the invitation of Bishop High.

The provincial meeting of chaplains to the retired was held at Camp Allen on October 18, 2012. The Chaplain could not attend due to illness.

Mrs. Rayford High (Pat) entertained the retired clergy and their spouses at Sadler's in Jacksonville, Texas. We were able to share where we came from and where we are now living and the ministry we are exercising. A total of 21 persons attended. We are grateful to Pat High for her hospitality.

Several of the retired clergy and their spouses attended the consecration of the Right Rev. Jeff W. Fisher in Tyler, on October 6, 2012. We welcomed the Bishop and his family to East Texas.

Thanks to the parish clergy for providing day-by-day pastoral care for the retired clergy, spouses, and surviving spouses.

This ministry is a blessing, and I am grateful to be able to share in it.

Jack D Russell, Chaplain

St. James House
(No Report Received)

Community of Hope
(No Report Received)

Ubi Caritas Health Ministries
(No Report Received)

Department of Chaplaincy Services – St. Luke’s Episcopal Health System

“We will not build just another hospital that would be a betrayal of our commission as a Church of God. We shall build a Church Hospital, in which all of the mountain moving powers of faith, and prayer, and human skill can be brought to bear upon individuals in need. It will be a hospital in which the Chapel will stand close to its very heart, it will be a witness to a gallant and decisive fact of human experience, namely that, we are children of God...”

—The Rt. Rev. John E. Hines,
Bishop of the Episcopal Diocese of Texas, 1955–1964

The Chaplains of St. Luke’s Episcopal Health System send you greeting! We are pleased and honored to be able to partner with you in providing the best possible care of patients, family members, and parishioners who come into one of St. Luke’s Hospitals or health care institutions.

For nearly fifty-eight years, the Chaplains of St. Luke’s have been an essential part of the culture and care provided to our patients. Chaplaincy Services provides resources to patients, family members, caregivers, staff, and the congregations of the Episcopal Dioceses of Texas. Our reputation at St. Luke’s extends well beyond the boundaries of the Texas Medical Center and the Diocese of Texas. This positive and exceptional look to the future is due in large part because of the unique high-quality care and excellent staff that we have enjoyed over the decades.

The recruitment for high-quality staff continues today. As we continue to grow the health system, and as “baby boomers” look forward to retirement, new qualified Chaplains are needed. We have openings for those who are called by God to the ministry at the bed side in the health system. The Rev. Steve Ferguson and the Rev. Viktoria Gotting are staff Chaplains at St. Luke’s Episcopal Hospital. These Chaplains, along with the Rev. Mark Crawford, the Rev. Ann Brotherton, and I represent the Episcopal clergy here at the Medical Center; providing daily pastoral care to patients and staff, some of whom are your parishioners.

The Rev. Randall Trego, with Barbara Carmichael, are Chaplains at St. Luke’s The Woodlands Hospital and Lakeside Hospital. They have a warm and fulfilling ministry as they oversee the pastoral care of the patients in The Woodlands area.

We have the Rev. Byron Gingrich as our Chaplain, along with the Rev. Antonio Marquez who serve the patients and staff at our Hospital in Sugar Land. The Rev. Jeff Schiffmayer and Lucy Arrington-Calhoun staff our hospital at the Vintage, off of highway 249 in Northwest Houston.

The Rev. Lillian Hyde is enjoying her ministry as she continues to develop a robust Chaplaincy program at our newest hospital in Pasadena. Please take a moment, when you see her, to ask about the wonderful activities she oversees at the hospital. If you would like to volunteer in any of our hospitals, please do not hesitate to contact me for further information.

It is a privilege to be the Director of Chaplaincy Services for St. Luke's Episcopal Health System. I am honored to be a part of the best health care system in the country and to work collegially with our bishop and chair of the hospital board, the Rt. Rev. Dena Harrison. It is also my honor to work with you; when you come in to see a parishioner, please stop by my office to have your parking validated and to catch up for just a moment.

Gary H. Jones, Director

Division of Spiritual Formation
(No Report Received)

VIII. BOARDS OF DIOCESAN INSTITUTIONS

Episcopal High School

Founded in 1983 by a group of Houston business and Episcopal Church leaders as an institution of the Diocese of Texas, Episcopal High School is an intellectual and spiritual community committed to educating the minds and hearts of students. Through the Four Pillars—academics, arts, athletics, and religion—EHS encourages critical thinking, intellectual risk-taking, responsibility for one's own actions, personal integrity, ethical awareness, respect for diversity, and individual leadership. For over 28 years, the School has responded to the needs and capabilities of each student, providing opportunities for growth and achievement in a Christian community that reflects the beliefs and traditions of the Episcopal Church.

The School admits students of all races, colors, and national/ethnic origins to all the rights, privileges, programs, and activities accorded or made available to its students. The School does not discriminate on the basis of race, color, or national/ethnic origin in the administration of its educational admission policies, scholarship and loan programs, or athletic and other school-administered programs. To reflect the community it serves, EHS strives to maintain a student body that represents social, economic, ethnic, and academic diversity. Approximately 15% of the students receive support from the generous Financial Aid Program. The School's faculty represents diversity in age, experience, and ethnicity. The student-to-faculty ratio is roughly 8 to 1.

Accredited by the Independent Schools Association of the Southwest, EHS also holds memberships in the National Association of Independent Schools, the National Association of Episcopal Schools, the Council for the Advancement and Support of Education, the Educational Records Bureau, the College Board, the National Association for College Admission Counseling, the Texas Association for College Admission Counseling, and the Southwest Preparatory Conference.

Under the leadership of Head of School Ned Smith, EHS completed its 28th year of operation in June 2012, with an enrollment of 671 young men and women from 70 zip codes across the Greater Houston Metropolitan Area. After years of fundraising and

building, the School has established a premier campus that harmoniously reflects its academic, artistic, athletic, and religious programs. In the 2011–2012 school year, generous gifts from parents, trustees, alumni, alumni parents, grandparents, friends, and foundations raised over \$2.2 million to support the School's \$20 million budget. In the fall of 2011, EHS officially closed the 25th Anniversary Capital Campaign, raising just over \$25.7 million to fund the construction of a new academic building, parking garage, and other campus improvements. The endowment fund ended the fiscal year with a market value of \$24.1 million.

Members of the Class of 2012 were offered more than \$14 million in scholarships based on their academic, artistic, and athletic accomplishments. The students were accepted to over 200 schools nationwide and are currently attending 83 different colleges and universities. 42% are attending public schools, with the remainder attending private institutions. 60% of the graduates are attending college out of state. 21 students are athletes at Division 1 and Division 3 schools. These graduates join over 3,400 other EHS alumni spread across the country. Roughly 60% of EHS alums have returned to live and work in Houston after graduating from college. The EHS Alumni Association, led by a directors' council, continued to coordinate class reunions, renew friendships, and participate in fundraising activities for the School. Currently, six alumni are on staff at the School.

Under the direction of the Rev'd Adam Greene, the religious program included daily chapel, as well as a number of special services (Founders Day, Grandparents Day, Advent Chapel, Ash Wednesday, Holy Week, and monthly Eucharists). Students of all religions and faiths attended the services, roughly 23% of them identified as Episcopalians. The vast majority of students served the community after school and on weekends by participating in service projects through Bo's Place, Bear Resources, Lord of the Streets, Challenger Football and Basketball, the Race for the Cure, and many other social service agencies. Seniors from the Class of 2012 contributed more than 9,000 hours to the community during their two-week outreach requirement in January.

The athletic pillar thrived as more than 70% of students participated in one or more sports. In the spring of 2012, the varsity baseball team captured its third SPC championship title, capping off another excellent year of performance for student athletes. The EHS arts pillar also experienced a year of success. The spring musical, *Dirty Rotten Scoundrels* took home the Tommy Tune award for Best Musical (the third time in four years that EHS has won the award). From the fall "Hauntcert" to the two art exhibitions and dance recitals, student artists had many opportunities to share their talents and skills with the broader community.

Members of the Board of Trustees

Chairman: The Rt. Rev. C. Andrew Doyle

Head of School: Ned Smith

Executive Chair: Thomas L. Carter

To 2013

James Andras, George V. Kane III, Melinda Budinger Hildebrand, Thad Dameris, Cecil James Looke III, Lynda K. Underwood

To 2014

Karey D. Dye, The Rev. Dr. Russell J. Levenson Jr., Michael L. Mizell, Harry N. Pefanis,
Jan A. Rask, Lawrence J. West

To 2015

W. Craig Childers, Lester E. Clark Jr., Duane H. King, Duncan K. Underwood, Paul C.
Sorensen

To 2016

Mark H. Barineau, Thomas L. Carter, Lacy Crain, Hank Jones, James W. Whitehead,
Denman H. Heard

Episcopal High School and Episcopal High School Endowment Fund
Consolidated Statements of Financial Position as of June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and cash equivalents	\$ 11,674,111	\$ 11,543,730
Inventories, prepaid expenses, and other assets	691,169	493,248
Pledges receivable for operations, net	504,500	543,579
Arbitration settlement receivable, net	422,713	525,788
Investments	24,229,147	25,425,271
Cash restricted for acquisition of long-term assets		5,435,382
Pledges receivable restricted for acquisition of long-term assets and endowment	8,904,733	11,083,447
Property and equipment, net	<u>66,227,039</u>	<u>52,193,947</u>
TOTAL ASSETS	<u>\$ 112,653,412</u>	<u>\$ 107,244,392</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 802,961	\$ 957,036
Accrued payroll expenses	637,032	562,389
Construction payable	3,691,480	
Arbitration settlement payable		106,000
Funds held for others	350,910	344,916
Deferred tuition and fees	<u>7,318,035</u>	<u>7,608,045</u>
Total liabilities	<u>12,800,418</u>	<u>9,578,386</u>
Net assets:		
Unrestricted	56,339,407	56,308,247
Temporarily restricted	24,480,585	21,347,737
Permanently restricted	<u>19,033,002</u>	<u>20,010,022</u>
Total net assets	<u>99,852,994</u>	<u>97,666,006</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 112,653,412</u>	<u>\$ 107,244,392</u>

Episcopal High School and Episcopal High School Endowment Fund
Consolidated Statement of Activities for the year ended June 30, 2012

	<u>UNRESTRICTED</u>	TEMPORARILY <u>RESTRICTED</u>	PERMANENTLY <u>RESTRICTED</u>	<u>TOTAL</u>
REVENUE:				
Tuition and fees, net of financial aid of \$1,855,727	\$ 13,784,236			\$ 13,784,236
Fees related to auxiliary services	1,695,317			1,695,317
Other program revenue	200,268			200,268
Contributions	894,883	\$ 2,777,690	\$ 22,980	3,695,553
Fundraising events	1,262,107			1,262,107
Cost of direct benefits provided to donors	(208,071)			(208,071)
Investment return, net (Note 5)	36,998	249,647		286,645
Other revenue	<u>48,899</u>	<u> </u>	<u> </u>	<u>48,899</u>
Total revenue	17,714,637	3,027,337	22,980	20,764,954
Satisfaction of donor restrictions:				
Expenditures for capital projects	210,888	(210,888)		
Expenditures for program expenses	183,601	(183,601)		
Appropriation for distribution	500,000	(500,000)		
Donor contribution redesignation	<u> </u>	<u>1,000,000</u>	<u>(1,000,000)</u>	<u> </u>
Total	<u>18,609,126</u>	<u>3,132,848</u>	<u>(977,020)</u>	<u>20,764,954</u>
EXPENSES:				
Program expenses:				
Instruction	12,796,794			12,796,794
Auxiliary services	2,104,533			2,104,533
Other programs and activities	<u>101,708</u>			<u>101,708</u>
Total program expenses	15,003,035			15,003,035
Management and general	2,336,467			2,336,467
Fundraising	<u>1,238,464</u>			<u>1,238,464</u>
Total expenses	<u>18,577,966</u>			<u>18,577,966</u>
CHANGES IN NET ASSETS	31,160	3,132,848	(977,020)	2,186,988
Net assets, beginning of year	<u>56,308,247</u>	<u>21,347,737</u>	<u>20,010,022</u>	<u>97,666,006</u>
Net assets, end of year	<u>\$56,339,407</u>	<u>\$24,480,585</u>	<u>\$19,033,002</u>	<u>\$99,852,994</u>

Ned Smith, Head of School

Episcopal Theological Seminary of the Southwest

Seminary of the Southwest is preparing to observe its 60th Anniversary this year, and it is blessed by continued strength of program for divinity and lay students and by increased support from alumni, friends, and congregations for its future mission.

“At a time when seminaries are in fairly dramatic evolution due to financial pressures and dwindling enrollments, Seminary of the Southwest is blessed by its highest enrollments and highest annual fund receipts in its nearly 60-year history. I give much credit to our outstanding faculty who are educating and forming mature Christian leaders for the Church and society.”

Enrollment

A total of 124 students enrolled at Seminary of the Southwest for fall 2012. The 47 ordination track students are from the following dioceses: Alabama, Central Gulf Coast, Dallas, Fort Worth, Iowa, Kansas, Michigan, Mississippi, New York, North Carolina, Northwest Texas, Oklahoma, Olympia, Southeast Florida, Southern Florida, Southwest Florida, Texas, Vermont, West Missouri, West Texas, and Western Michigan.

Sixty-five percent of students receive financial aid for tuition through the seminary's scholarship aid and work programs.

Faculty

The Rev. Dr. Cynthia Briggs is Academic Dean, and the Rev'd Micah Jackson is Dean of Community Life. Eleven highly qualified, mature Christian scholars hold permanent faculty positions in Old and New Testament, Church History, Christian Theology, Christian Ethics and Moral Theology, Liturgics and Anglican Studies, Preaching, Church Music, Contextual Theology for Ministry, Christian Formation, and Hispanic Church Studies.

Over 30 professionals from the Austin and San Antonio areas teach in the seminary's Center for Christian Ministry and Vocation and in The Online School for Spirituality and Mission.

Board of Trustees

The Rt. Rev'd Dena Harrison, Chair, Diocese of Texas

The Rev'd Lisa Mason, Treasurer, Diocese of Texas

Ms. Stacy Morales, Secretary (non-voting member), Seminary of the Southwest

The Rt. Rev'd C. Andrew Doyle, Ex officio, Diocese of Texas

Members: The Rev'd Dr. Michael Attas, Diocese of Texas; the Rev'd Susan Barnes, Diocese of Minnesota; Ms. Fredricka Brecht, Diocese of Texas; Mr. John Culmer, Diocese of Texas; the Rev'd Dr. Bob Dannals, Diocese of Dallas; Mr. Dick Davis, Diocese of Northwest Texas; Mrs. Suzan Fenner, Diocese of Dallas; Dr. David J. Fine, St. Luke's Episcopal Health System; Ms. Donna Gerold, Student Representative (non-voting member), Seminary of the Southwest; the Rev'd Christopher Jambor, Diocese of Fort Worth; Mr. Thomas Knudson, Diocese of Texas; the Rev'd Patrick Miller, Diocese of Texas; Mr. Ron Ogden, Diocese of Rio Grande; the Rt. Rev'd David Reed, Diocese of West Texas; the Rt. Rev'd Gregory Rickel, Diocese of Olympia; the Rev'd Dr. Kathleen Russell (non-voting member), Seminary of the Southwest; the Rev'd Kathryn Ryan, Diocese of Dallas; Mr. Robert Schorr, Executive Chair, Diocese of Texas; Dr. Robert Schwartz, Diocese of West Missouri; the Rev'd Barkley Thompson, Diocese of Virginia; the Very Rev'd Douglas B. Travis, Ex officio (non-voting member), Seminary of the Southwest.

Alumni

Southwest graduates are ministering in 50 states and 23 countries. Our more than 1,200 graduates serve as priests, counselors, authors, healers, and missionaries. They lead dioceses, direct the spiritual growth of children, guide the church in faithful service, or maintain a beacon of faith in unstable corners of the globe.

Advancement

Seminary of the Southwest is in year three of a major gifts campaign to address the needs for faculty endowments, scholarship endowments, and annual fund. The campaign goal of \$15.9 million is expected to be reached in the 2012–2013 fiscal year. The Rt. Rev. Claude E. Payne and his wife Barbara Payne serve as honorary chairs of the campaign.

Commencement 2012

The graduating class of 2012 included 16 graduates prepared for ordained ministry and 15 graduates who earned degrees in religion, chaplaincy, and counseling. Dr. Stanley Hauerwas delivered the commencement address, and we gave a Doctor of Divinity to Stanley Hauerwas and Martha Moor Johnston Horne, and a Doctor of Humane Letters to Russell E. Schulz.

Lecture Series

Distinguished scholars and leaders in the church deliver the three annual lecture series on the campus. The Payne lecture, hosted by the trustees to honor Bishop Claude Payne, featured the Rt. Rev. James “Jay” Magness, Bishop Suffragan for federal ministries in February 2012. The Harvey Lectures, hosted by Southwest students, occur in March, and Sam Wells, Dean of Duke University Chapel & Research Professor of Christian Ethics at Duke Divinity School was the speaker. Blandy lectures, organized and hosted by Southwest Alumni, featured the Rev. Carol Howard Merritt, pastor and author of *Tribal Church* and *Reframing Hope* and podcast co-host who spoke to alumni, students, and friends in September 2012.

Details about the seminary’s programs, faculty, and news can be found at <http://www.ssw.edu/>.

Douglas B. Travis, Dean and President

St. Luke’s Episcopal Health System

We are set apart from the competition by the unique brand of *Faithful, Loving Care®* our patients receive when they enter a St. Luke’s hospital, community emergency center, or any of our ambulatory care environments. Amidst significant challenges to the healthcare industry as a result of new federal legislation, the St. Luke’s Episcopal Health System remains financially strong with a commitment to care more and try harder.

In June of this year, the Health System Board formed a Strategic Planning Committee to undertake a comprehensive review of Health System achievements and develop plans for the future. Our last such planning initiative was completed in 2005 and resulted in the suburban hospital network presently in place that has grown St. Luke’s share of the Greater Houston hospital market from 6 to 10 percent. As a church-owned enterprise, the healthcare needs of all people residing in the 57 counties ministered to by the Episcopal Diocese of Texas are at the forefront of this planning effort. A wide variety of scenarios are under consideration, and the Board has made no decision

relative to future strategic direction. This review will continue into next year, at which time recommendations will be made by the System Board for the Bishop's consideration.

We remain community-minded in all that we do for our patients and their families and for one another. We succeed and persevere thanks to God's unending blessings and the commitment of our more than 1,500 physicians, 6,600 employees, Leadership Teams, and Boards of Directors.

It is a privilege to present this summary of 2012 achievements to the Episcopal Diocese of Texas.

ST. LUKE'S EPISCOPAL HEALTH SYSTEM (SLEHS)

St. Luke's Episcopal Health System is committed to extending our special brand of *Faithful, Loving Care*® to Greater Houston by continuing to enhance collaboration with physicians, building more robust information systems, engaging with Houston's philanthropic community, and advancing medicine through clinical innovation and superior nursing.

The Epic Experience

In January, hundreds of ITS team members took to the hallways, meeting rooms, and patient care units across the Health System to prepare for an ambitious overhaul to clinical operations through the deployment of a new, integrated, electronic health record. This Epic system, scheduled to go-live in May 2013 at St. Luke's Episcopal Hospital and The Woodlands Campus, will enable the Health System to better integrate patient information across the continuum of care as well as meet new, federally mandated information exchange requirements. Epic will be implemented in St. Luke's ambulatory care environments by December 2013.

Members of the St. Luke's Family were trained as Subject Matter Experts, SMEs, to assist in transforming workflows within the various departments across the Health System. In July, the Epic Implementation Team opened the Epic Experience, an interactive knowledge center offering physicians and staff access to various devices and workstations that host the Epic interface. Computer workstations, handheld devices and smart phones, and a BMW (bedside mobile workstation) are available for "test drives." The Epic Experience, located in The O'Quinn Medical Tower at St. Luke's, features an Epic Ambassador to answer basic questions, discuss implementation timelines, and introduce various capabilities offered by Epic. In August, St. Luke's Ambulatory Clinics launched the Epic platform.

Worldwide Outreach

Anglican Health Network (AHN)

- AHN's medical supply system opened in February with access to a range of surplus items in the United States. According to former SLEHS Board Chair and current AHN Co-chair Lee Hogan, the Network is now looking for collaborative support (partners and recipients) to facilitate deliveries of the medical equipment.

Recent beneficiaries receiving equipment from SLEHS included the Anglican Province of Tanzania.

- Managers and physicians from the Health System and Baylor College of Medicine visited the Berega Hospital of the Diocese of Morogora in Tanzania in late February. The trip represented an initial step to develop links between Anglican hospitals in different parts of the world and to establish conduits for distribution of surplus medical equipment, to provide clinical training, and support development of hospital management systems.

Leadership Transitions

- **Debora Simmons, PhD, RN**, joined St. Luke's Episcopal Health System from The University of Texas as Senior Vice President & Chief Quality Officer, effective February 1. Dr. Simmons is an expert in healthcare quality, patient safety, and performance improvement with a history of commitment to the delivery of safe and reliable healthcare by application of evidence-based interventions. Dr. Simmons served St. Luke's Episcopal Hospital as Supervisor and Nurse Clinician for Cardiology for five years in the early 1990s. She replaced the retiring Beryl Vallejo, RN, DrPH, who served as Chief Quality Officer since 2007.
- **Robert A. Heifner, FACHE**, replaced Bryan Hargis as Chief Executive Officer of St. Luke's Sugar Land Hospital and Vice President, SLEHS, effective July 9. Prior to joining the St. Luke's Family, Mr. Heifner served as CEO of Mainland Medical Center, a 223-bed acute care hospital. A Fellow of the American College of Healthcare Executives, Mr. Heifner earned an MHA at Tulane University and received an MBA and Bachelor of Science from Louisiana Tech University.
- **Norman F. Stephens** replaced Francis X. Speidel, MD, as CEO of St. Luke's Hospital at The Vintage and Vice President, SLEHS, effective December 3. He joins SLEHS with 15 years of CEO experience, most recently as President and CEO of Portneuf Medical Center (PMC)—a 187-bed tertiary care facility with more than 1,200 employees—in Potacello, Idaho. The Fellow of the American College of Healthcare Executives earned a Bachelor of Science from Loma Linda University and a Master of Public Administration from California State University.
- With 15 years of human resources, operations, and legal experience, **Susan Bailey-Newell, JD**, joined SLEHS as Vice President and Chief Human Resources Officer, effective March 23. Prior to joining St. Luke's, she served as Assistant Vice President of Human Resources at Cincinnati's Children's Hospital Medical Center (CCHMC), which was ranked as the third best pediatric hospital in the country by *U.S. News & World Report* and a Magnet hospital. She replaced the retiring Debbie Mahannah.

- SLEHS announced the resignation of **Susan Kiley**, Group Vice President and Chief Managed Care Officer, effective July 23, after more than 11 years of service to St. Luke's. Ms. Kiley joined Houston-based Encore Health Resources, an information technology firm, as Solutions Executive and Partner.
- **Ward Birkett**, was named ARAMARK's Site-based Vice President of Operations-Support Services for SLEHS, effective August 1. In this role, he provides System-wide leadership of support services, including Environmental Services, Food & Nutrition Services, Valet, and Clinical Technology Services. Mr. Birkett ensures that the strategic planning and execution of these services are aligned with hospital objectives. He has worked for ARAMARK for 30 years.
- **Ann Thielke, RN, JD**, Vice President and General Counsel, SLEHS, departed after more than seven years with the St. Luke's Family for a new professional opportunity as Senior Vice President and General Counsel of VHA, Inc. (former Voluntary Hospitals of America). Assistant General Counsel Sarah Jacobs has served as Interim General Counsel.
- **Steve Pickett**, previously Executive Vice President & Chief Financial Officer will continue as Executive Vice President with expanded focus on operational leadership and clinical integration of the six SLEHS hospital campuses and related ambulatory sites. This is a role with which Steve is familiar. His healthcare management career includes five years as COO at West Virginia University Hospital and five years in the same capacity at Tulane University Hospital. As a part of this alignment, Senior Vice Presidents Debbie Sukin, David Koontz, and Margaret Van Bree, DrPH, will report to Mr. Pickett. Mr. Pickett will continue to report to President and CEO David J. Fine and will assume full charge of the Health System in his absence.
- **David Gruener**, who has worked at St. Luke's in a number of progressively responsible positions since 1991, will serve as Acting Senior Vice President and Chief Financial Officer, reporting to the SLEHS President and CEO. Treasurer Brian Doyle and Vice President/Chief Compliance Officer-Privacy Officer Cecelia Bishop will report to Mr. Gruener.
- We have recruited several new individuals to advance physician-related initiatives: **Layne Gentry, MD** and **William Redwine, MD**, who both served as long-term leaders of the medical staff at St. Luke's Episcopal Hospital, serve as Physician Advisors, reporting to the President and CEO of SLEHS. Vice President **Sonja Beaty** and Assistant Vice President **Michelle Barrera** are leading medical group recruitment and operations, reporting to SLEHS Senior Vice President David Koontz.

- Additionally, the following promotions were effective in 2012:

Assistant Vice President:

- Brian Doyle: Treasury, Cash Management, Investment Management, Cashiering
- David King: Kelsey-Seybold Service Line, Brand Strategy & Marketing, Public Affairs, Interactive Marketing, Service Line Outreach Development
- Niquole Dunham: Supply Chain, Mail & Messenger, 3100 Main Property Management, Business Performance

Vice President:

- Kathy Adams, DSc, RN: Revenue Cycle and Case Management
- Norman F. Stephens, FACHE, CEO, St. Luke's Hospital at The Vintage

Bench Strength

St. Luke's Episcopal Health System continues to build its bench strength through its Administrative Fellowship Program. The Program provides an in-house talent pool for entry-level management positions. The 2012 fellowship class includes five Fellows from a pool of more than 140 applicants representing top universities in the country.

***Faithful, Loving Care*[®]**

- The Health System is in the fourth year of its *Faithful, Loving Care*[®] journey. Our goal in 2012 was to reach the top quartile for the Health System in "Overall Rating of Care." As of year-to-date, we are meeting that goal.
- The *Faithful, Loving Care*[®] Steering Committee quarterly meetings are chaired by Veronica Selinko-Curran, MD, a retired diagnostic radiologist from The University of Texas MD Anderson Cancer Center. Dr. Selinko-Curran also is a member of The Joint Conference Committee of the SLEH Board of Directors. With her passion for the patient's experience, we are delighted that she agreed to lead this committee.
- To hardwire the *Faithful, Loving Care*[®] behaviors that are expected of our staff, 14 "I Always" video vignettes were created for multiple roles in the Health System. These vignettes reinforce the rounding behaviors for the following disciplines: Nurse Leader, Staff Nurse, Patient Care Assistant, Respiratory Therapist, Case Manager, Transporter, Environmentalist, Food Service Host, Physical Therapist, Radiologist, and Physician. More than 3,000 employees and hospitalists have viewed these vignettes and incorporated these skills into their rounding processes.
- To improve patient satisfaction, patient journals were presented to any patient who was admitted to a System hospital. The Journal encourages a patient to participate in his/her care by writing questions to the nurse and physician about the plan of care and discharge process. More than 16,000 journals have been provided to St. Luke's patients.

Human Resources

For 2012, the Health System's Department of Organizational Development focused on a number of key priorities based on St. Luke's business goals:

Employee Engagement

SLEHS continued its Employee Engagement initiative System-wide to support a culture focused on providing a positive and rewarding environment for its employees. This year, SLEHS out-performed many organizations by scoring in the top quartile on the Advisory Board® Engagement Survey.

Performance Management

- Goals for managers and employees were implemented System-wide through the new online performance management and learning management tool, e-Value.
- e-Value, for employees includes:
 - learning how performance links to SLEHS goals,
 - receiving full access in creating, tracking and achieving professional goals,
 - communicating online with leaders regarding role expectations and performance, and
 - enjoying paperless Annual Performance Reviews.

Leadership Development

- New leader training was developed to support new managers or promoted leaders in the organization. The Essentials of Leadership, a three-day course offered quarterly, was created to provide tools for success at St. Luke's, including training on systems, budgeting, hiring, employee coaching, and recognition.
- In 2012, three Leadership Development Institutes and three Supervisor Development Institute events were hosted to bring together System leadership. Topics discussed included change management, Just Culture, Epic implementation, and process improvement.

Learning Management

A new online training system was implemented through e-Value for educating employees and leaders. The user-friendly interface provided employees centralized access to classes, training content, and additional interactive learning features.

Benefits & Compensation

Spirit of Wellness Program

Various programs were introduced throughout the Health System to encourage employees to become and stay healthier:

- Employees enrolled in a St. Luke's medical plan have an opportunity to earn up to a \$1,000 wellness bonus. The wellness bonuses, paid quarterly in \$250 increments, help offset medical premium increases in 2013.

- In March, SLEH partnered with other Texas Medical Center institutions for Shape Up Houston. The six-month health and wellness initiative encourages, challenges, and educates employees to reshape their lifestyle with regard to health and fitness.
- As part of the medical plans offered to SLEHS employees, Cigna introduced the Personal Health Team to help manage chronic conditions, lifestyle, and behavior changes.

Financial Matters

Net Patient Revenues

Total projected revenue for St. Luke's Episcopal Health System is expected to reach \$1,180.5 million in 2012.

Number of Employees

More than 1,033 new hires joined the St. Luke's Episcopal Health System Family bringing the total number of employees to 6,772 in 2012.

Charity Care

In 2012, St. Luke's Episcopal Health System provided charity care valued at \$61.0 million for services to patients who are unable to pay for the services they have received.

Uncompensated Care

St. Luke's Episcopal Health System also absorbed in excess of \$81.1 million in bad debt as a result of services provided to patients who failed to pay their bills. This reflects a seriously adverse trend due to national economic conditions.

Standard & Poor's Credit Rating

Standard & Poor's affirmed St. Luke's Episcopal Health System's 'AA-' rating, with stable outlook. This long-term rating reflects:

- "Improved operating income in fiscal 2011 (audited year ended Dec. 31, 2011) and fiscal 2012 to date (six months through June 30, 2012), which generated operating margins of 5.0% and 5.9%, respectively."
- "Improved balance sheet."
- "Sound business position as one of Houston's most renowned institutions, with additional delivery locations in the growing suburban metropolitan service area that have bolstered market presence and market share, with increased inpatient volumes across the System."
- "Diverse physician relationships, including those with St. Luke's private practitioners, the Kelsey-Seybold Medical Group, academic providers from both Baylor College of Medicine and The University of Texas Medical School at Houston, and the Texas Heart® Institute."

SLEHS Development: St. Luke's Foundation

In partnership with System Development Committee members, the St. Luke's Foundation significantly surpassed the total amount of money raised in 2011, generating more than \$6.9 million as of September 5. In 2011, fundraising efforts raised \$1.7 million and, in 2010, brought in just over \$1.0 million. The Foundation looks forward to a productive and successful close of 2012 with projected philanthropic proceeds of \$8.3 million.

Philanthropy Workshop

Physicians were invited to participate in a Philanthropy Workshop on November 1 with Joe Golding, Founder and CEO of Advancement Resources. The workshop provided the opportunity to learn how to identify and engage prospective donors in charitable-giving discussions. The curriculum of this leading education firm is used by more than 80 percent of the nation's academic medical centers. Participation by physicians will be instrumental to the Foundation's long-term success.

St. Luke's Episcopal Health Charities (SLEHC)

The Charities' endowment campaign is going strong, resulting in a lead gift of \$250,000. Additionally, SLEHC's 15th Anniversary Gala held in November, featured CNN Chief Medical Correspondent Sanjay Gupta, MD, who spoke to more than 850 guests. The anniversary event, chaired by Flo McGee, had a fundraising goal of \$5.0 million. A portion of that total came from SLEHS, which promised a matching grant of \$1.5 million if SLEHC raised a minimum of \$3 million. The event helped SLEHC address the growing needs of the underserved and homeless throughout the Diocese and the SLEHC Center for Collaborative Leadership. The event lead sponsor was the *Houston Chronicle*.

Summer Series

Two summer events held in Colorado were resounding successes. The Foundation's first gathering was held at the home of Clayton and Sheldon Erikson. The event featured J. Pat Herlihy, MD, and focused on SLEH's outstanding pulmonary program. Compared to 2011, participation doubled to 135 guests.

The second event, held in Vail/Beaver Creek, CO, was hosted by Gayelene and Ralph McIngvale, who generously invited guests to a dinner at Restaurant Kelly Liken in Vail. The event's special presenters were Vincent Aquino, MD, Chief of Cardiology, SLWH and SLLH, and Peter M. Shedden, MD, Medical Director, Neuroscience Center, SLWH. Dr. Aquino spoke passionately about the cardiac program at SLWH and Dr. Shedden shared timely and important details about the need for trauma care in Montgomery County. More than 40 guests attended.

One guest was so impressed by the Aspen activity that he selected SLEH when he needed medical assistance for a family member. The guest has since decided to make a generous gift to support the work of Daniel Yoshor, MD—a great example of how successful events are an important part of cultivating new and established relationships.

Direct Mail

The number of contributors to St. Luke's continues to grow. We have received gifts from 1,783 donors—compared to 480 individuals in 2011. To date, we have welcomed 1,386 new donors. The Foundation's direct mail program is designed to feed and grow a robust major gift pipeline; therefore, a large number of new respondents are a critical component for long-term success.

ePhilanthropy

The Foundation's efforts have increased this year with a focus on web communications. Sites, such as <http://www.stluketexas.com/Giving/Events/aspenspeakersseries.cfm>, were created to inform guests and provide resources before and after private events. Our July e-newsletter received an open rate of 28.25 percent (industry average: 14.0 percent) and a click-through rate of 4.76 percent (industry average: 2.1 percent). During the third quarter, the Foundation's e-mail database has grown to 1,810 members with a usable house file of 1,571—an increase of 166 percent from last quarter.

PULSE

Professionals United to Lead St. Luke's Episcopal Health System (PULSE) members committed to raise \$25,000 to support the needs of SLEH. Chairpersons Lindley and Jason Arnoldy invited top prospects to join the volunteer committee, and four young physicians have agreed to support the program.

New Mobile Blood Donor Coach

At a President's Dinner in 2011, Jerry Fields of J.D. Fields & Company, Inc., approached David Fine, president and CEO of St. Luke's Episcopal Health System, about making a gift for a new blood coach for St. Luke's. The existing vehicle had outlived its useful life, and Jerry and his wife, Linda, quickly saw a need they could fill.

The new St. Luke's Blood Donor Coach was dedicated in September. Over the next 10 years, we anticipate that more than 30,000 people will donate blood in this coach, generating 90,000 blood components for transfusion—a very real and remarkable gift to patients in need. We are also in discussions to donate the retired blood coach to an international partner that can use it as a mobile medical unit to reach communities with no access to healthcare.

ST. LUKE'S EPISCOPAL HOSPITAL (SLEH)

- In its annual survey of "America's Best Hospitals," *U.S. News & World Report* ranked St. Luke's Episcopal Hospital (SLEH) among the top healthcare institutions in the nation in 10 major areas of care out of 16 for which a ranking is provided. This includes the Texas Heart[®] Institute (THI) at St. Luke's Episcopal Hospital, which placed in the top 10 in Cardiology & Heart Surgery for the 22nd consecutive year.
- THI ranked number six in Cardiology & Heart Surgery, and SLEH is among the nation's top 50 in Diabetes & Endocrinology; Ear, Nose & Throat; Gastroenterology; Geriatrics; Nephrology; Neurology & Neurosurgery; Orthopedics; Pulmonology; and Urology.

- In addition to the national rankings, SLEH was named the number two hospital in Texas and in the Houston Metro area, and was designated high-performing in the areas of Cancer and Gynecology.

Care Optimization

In March of 2011, St. Luke's Episcopal Hospital executed an agreement with GE Healthcare to become the second hospital nationally to create next-generation, comprehensive capacity optimization using GE's newly formed Patient Care Capacity Management service offering. This multi-year engagement has involved the implementation of cutting-edge technology, new processes, and operational governance to help the hospital operate at maximum capacity, reduce length of stay, avoid unnecessary purchases of mobile medical equipment, and use clinical staff more efficiently.

St. Luke's has become a global show-site for demonstration of this service offering. For the first time, several pioneering innovations in patient flow technology are being deployed together at St. Luke's. This technological complement has included providing real-time visibility to the locations of patients and certain mobile-medical devices through a real-time location system that uses radio frequency and infrared detection systems, similar to a GPS. This location system is integrated into a hospital-wide bed management tool, called AgileTrac®, which provides caregivers unprecedented visibility to barriers in patient placement and patient flow throughout the hospital.

In October, General Electric Chairman and CEO, Jeffrey Immelt, made a site visit to St. Luke's in support of the Care Optimization Project. Mr. Immelt addressed members of the St. Luke's Episcopal Hospital and St. Luke's Episcopal Health System Boards of Directors to discuss a range of topics surrounding post-reform healthcare.

- SLEH became the first and only hospital in Houston to receive accreditation as a Mission: Lifeline® Heart Attack Receiving Center from the American Heart Association and Society of Chest Pain Centers. The accreditation program recognizes centers that meet or exceed quality-of-care measures for people experiencing the most severe type of heart attack, ST-elevation myocardial infarction (STEMI). St. Luke's demonstrated exceptional quality-of-care standards:
 - Consistently unblock a heart artery in less than 90 minutes
 - In-house STEMI Rapid Response Team of clinical staff and physicians 24/7/365
 - Emergency Department "no diversion" policy
 - EMS Hotline
- St. Luke's opened its new Oncology Medical Clinic to provide evaluation and treatment of medical oncology and blood disorders. As an extension of St. Luke's Cancer Program, onsite services include diagnostic radiology, infusion services, radiation oncology, peripheral vascular testing, and bone marrow biopsy. The Clinic will also offer oncology clinical trials as additional patient options in the treatment of disease.

- On May 1, St. Luke's Center for Liver Disease held an open house celebrating its new location at 6620 Main. The 25,000 square-foot space now houses the Center for Liver Disease, Liver Transplant Program, Elkins Pancreas Center, and patient education and conference rooms.
- SLEH is the first in Houston to offer bronchial thermoplasty, an innovative procedure for the treatment of severe asthma, which affects nearly 25 million Americans and is one of the top chronic diseases globally along with heart disease, stroke, cancer, and diabetes.
- The hospital received a full, three-year re-accreditation as a Chest Pain Center with PCI from the Society of Chest Pain Centers. The accreditation, which St. Luke's received in March 2009, recognizes the hospital's expertise in providing quality care to patients who arrive with symptoms of a heart attack.
- Luis Camacho, MD, Hematology/Medical Oncology, has been named the Director of the Cancer Research Center at St. Luke's. A reception was held honoring Philip A. Salem, MD, for his 20 years of service to St. Luke's as Director of Cancer Research.
- Margaret M. Van Bree, DrPH, CEO, SLEH and Senior Vice President, SLEHS, has been elected to the Texas Hospital Association's Board of Trustees for a three-year term, effective January 1, 2013.
- SLEH received the Texas Health Care Quality Improvement Bronze Award by the TMF Health Quality Institute. The award recognized the hospital for achieving 80–90 percent compliance on core measures on discharges with a diagnosis of acute myocardial infarction, heart failure, pneumonia, and SCIP measures from the Fourth Quarter of 2010 to the Third Quarter of 2011.
- On March 26, St. Luke's transitioned its obstetrical program to Texas Children's Pavilion for Women. SLEH will continue providing gynecological services, including surgery.
- SLEH's Stroke and Neurocritical Care Team received the highest honors at the American Heart Association's 2012 International Stroke Conference. The Hospital received the American Stroke Association's 2011 Gold Achievement and Target Stroke Honor Roll awards, which are given to fewer than 150 hospitals across the country. SLEH was the only hospital in the Texas Medical Center to receive the honor.
- St. Luke's Center of Sleep Medicine (Texas Medical Center and Kirby Glen sites) received five-year accreditation from the American Academy of Sleep Medicine for fulfilling the high standards required of a sleep disorders center.

- SLEH was named one of “America’s Best 100 Hospitals” for Patient Experience by WomenCertified® for exceptional service to its female patient population. Hospitals were selected based on a proprietary scoring process beginning with HCAHPS results and weighting that reflects the criteria most important to women.
- St. Luke’s Pharmacy Practice Residency Program was awarded the 2012 Texas Society of Health-System Pharmacists Residency Excellence Award, which recognized programs with sustained records of achievement, excellence, and innovation in residency training. The program at SLEH has been in existence for 20 years and is regarded as a top-tier program.
- SLEH is the first hospital in Houston and the Health System, and second in Texas to be awarded ISO 9001:2008 Certification. This prestigious honor can only be awarded after an audit is performed by an accredited registrar to determine compliance with requirements of the American National Standard for quality management systems. The SLEH audit was conducted concurrently with the re-accreditation survey in March 2012 by Det Norske Veritas Healthcare (DNVHC) and included a team of five surveyors who audited the implementation of the quality management system over a five-day period. The three basic fundamentals of the ISO 9001:2008 Quality Management System requirements are to provide consistent patient care, improve patient satisfaction, and the continual improvement of performance. SLEH was found to be compliant with the ISO 9001:2008 standards and was awarded certification on October 30. The certification is valid for three years.
- St. Luke’s Ventricular Assist Device (VAD) Team successfully completed The Joint Commission survey in November. Several VAD best practices were noted.
- St. Luke’s is one of five centers in the U.S. to install a second-generation MR-guided High Intensity Focused Ultrasound (HIFU) system for the treatment of uterine fibroids.
- SLEH introduced a new patient room service program, “Just For You.” The service allows for greater flexibility in both menu selection and timing of meals.
- The Commission on Cancer of the American College of Surgeons granted the Cancer Center at St. Luke’s a three-year Accreditation with Commendation.
- St. Luke’s embarked on a multi-phase renovation of the Bates Lobby and First Floor corridors that began in September and will extend through March 2013.
- In July, St. Luke’s Executive Team implemented Patient Safety Leadership WalkRounds® developed by the Institute for Healthcare Improvement. The WalkRounds® educate senior leadership about safety issues and show support in reporting errors.

- Members of the SLEH Multidisciplinary Team received the 2012 Alan I. Fields Award from the Texas Chapter of the Society of Critical Care Medicine for its outstanding multidisciplinary contributions toward the advancement in critical care excellence through scholarly research and the abstract, “Outcomes Associated with a Screening and Treatment Pathway for Occult Hypoperfusion following Cardiac Surgery.”
- In September, St. Luke’s joined fellow Texas Medical Center institutions for a World Sepsis Day event to raise awareness about a disease largely unknown to the public and poorly understood by medical professionals.
- October 28 marked the inaugural edition of the *Houston Chronicle*’s monthly health section, “Health Zone.” St. Luke’s is serving as the inaugural sponsor of the section, which aims to publish healthcare information to benefit the communities of Greater Houston. The new section is a collaboration between St. Luke’s and the *Houston Chronicle*/Hearst Media.

SLEH Auxiliary

- Lee Denson was named St. Luke’s Auxiliary President.
- During National Volunteer Week in April, SLEH Auxiliary’s 585 members were recognized for donating 63,800 service hours in 2011—valued at \$1,362,768.
- In an effort to increase effective communication and plan of care engagement between patients, their families, and caregivers, SLEH Auxiliary donated \$73,000 for new white, dry-erase boards in patient rooms. This timely and generous gift was made, in part, thanks to long-time volunteer Jean Applebaum’s Trust of \$10,000 to St. Luke’s.
- The Auxiliary donated \$100,000 to help fund a new mobile blood coach.
- The 16th Annual Easter project, “Food for Life,” sponsored by the SLEH Auxiliary, collected food and monetary donations from employees to benefit the Southeast Area Ministries Food Pantry. The group serves eight zip codes in the southeast area of Houston.

International Admissions

Global Clinical Excellence

More than 3,500 patients from over 85 countries sought specialized care at SLEH for treatments primarily in Cardiac and Oncology services—making SLEH one of the top 10 destinations in the U.S. for international patients.

Fostering Education around the Globe

- SLEH continued to promote its clinical services and provide continuing professional educational opportunities abroad through a number of scientific

conferences and educational symposia in the Middle East, Mexico, Europe, and Latin America. In the U.S., two internationally recognized symposia were held in Houston, including LINC—the largest conference in North America on neuroradiological and neurointerventional developments led by Dr. Michel Mawad.

- Phase 2 of SLEH's clinical consulting program involving two public hospitals in the Sultanate of Oman commenced. The Allied Health and Nursing training/exchanges with a focus on critical care and cardiac programs has begun at The Royal Hospital and Sultan Qaboos University Hospital. The program calls for further development and sharing of educational and clinical pathways with nursing and, eventually, physicians. Approximately 15 personnel exchanges are underway with more to follow in 2013.
- St. Luke's solidified its international leadership position as a charter and founding member of the US Cooperative for International Patient Programs, a partnership of the International Trade Administration of the U.S. Department of Commerce, University Health System Consortium (UHC), and Rush University. St. Luke's experience and leadership in the field has helped establish this new organization comprised of the top teaching hospitals and academic centers with global outreach.

Leadership and Philanthropic Outreach

Chester Jones, Executive Chair, Board of Directors of SLEHS, and System President and CEO David J. Fine, led a delegation to Oman in late January 2012 as part of a follow-up mission of appreciation for the 2009 gift of \$3.0 million from His Majesty, Sultan Qaboos. The delegation presented a proclamation from Bishop Doyle that thanked the Sultan for his generosity to St. Luke's and his progressive leadership during his 40 years on the throne.

Telemedicine

- As part of SLEH's mission to serve a global community, the international program initiated its first international teleconsult program in Peru, connecting local physicians with international patients.
- In another first, SLEH has also taken a leadership role by serving as the only organization selected by Pfizer to provide CME programs via video conferencing to international physicians. This initiative has fostered collaboration and innovation between THI and physicians in Mexico, Venezuela, Peru, and Ecuador.

Community Partnerships

In November 2012, St. Luke's participated with Houston Mayor, The Honorable Annise Parker, on an official City of Houston Trade Mission to the Middle East.

TEXAS HEART® INSTITUTE (THI)

- In October, THI celebrated its 50th Anniversary with a gala that honored Founder and President Emeritus Denton A. Cooley, MD, and the accomplishments and contributions of THI. More than 775 black-tie attired physicians, their healthy patients, and philanthropists attended the event that included Former Secretary of State James A. Baker III and a surprise performance by Lyle Lovett with violinist Luke Bulla.

Former Secretary of Commerce Don Evans served as emcee among numerous faces of politics, philanthropy, and sports to honor Dr. Cooley: baseball great Nolan Ryan, Lt. Gov. David Dewhurst, State Rep. Rodney Ellis, THI Chairman Steve Miller, U.S. Rep. Sheila Jackson Lee, University of Texas basketball coach Rick Barnes, and UT athletic director DeLoss Dodds—a nod to Cooley's basketball honors at UT.

- THI Professional Staff, Drs. O.H. “Bud” Frazier and William E. Cohn were featured presenters—the only physicians from the Texas Medical Center—at the annual TEDMED Conference 2012 in April at the John F. Kennedy Center for the Performing Arts in Washington, DC. Once a year, TEDMED holds a “grand gathering” where leaders from all sectors of society explore the promise of technology and the potential of human achievement.
- THI celebrated 20-year heart transplant recipient, Bonnie Lundy Kwan, who received a donor heart in 1992.
- The new documentary, *Heart Stop Beating*, tells the story of THI surgeons O.H. “Bud” Frazier and William E. Cohn implanting the first continuous flow total heart replacement device into a 55-year-old patient. Only 3½ minutes long, the film features surgical footage and interviews with both physicians. It was selected to be part of Focus Forward: Short Films, Big Ideas, a series of documentaries about “innovative people who are reshaping the world through act or invention.” The film premiered at the Sundance, Tribeca, Dallas International, and Martha’s Vineyard Film Festivals. On the video-sharing Web site, Vimeo, the short has been viewed more than 450,000 times.
- THI’s Center for Heart Valve Disease opened a new clinic in SLEH to treat patients with valvular disease.
- St. Luke’s is the first in Texas to treat a patient for peripheral artery disease (PAD) in a clinical trial of a new drug-eluting balloon. Interventional Cardiologist Neil E. Strickman, MD, is the principal investigator at SLEH and THI for the FDA-approved trial to evaluate the safety and effectiveness of the Medtronic drug-eluting balloon in the treatment of PAD.
- As home to the Texas Heart Institute, St. Luke’s is the first hospital in Houston to

use a new heart stent that is the only one approved by the FDA for treating patients with coronary heart disease (CAD) and diabetes. The FDA-approved Resolute Integrity Drug-Eluting Stent has been shown in a global series of clinical studies to yield consistently strong performance in CAD patients.

- Interventional cardiologists affiliated with THI implanted the first two patients in the nation with the “world’s smallest heart pump,” the Impella® 2.5, in a FDA-approved feasibility trial to determine the pump’s potential to limit damage to the heart muscle following a heart attack.
- Doris Taylor, PhD, FAHA, FACC, joined THI, effective March 1. Considered one of the world’s leading cell therapy and cardiac regeneration scientists, Dr. Taylor’s research includes cell and gene therapy for treatment of cardiovascular disease, tissue engineering of bio-artificial organs and vasculature, cell-based prevention of disease, stem cells and cancer, and holistic approaches to using cell therapy for treating chronic disease.
- Blase A. Carabello, MD, FACC, was appointed Chief of Cardiology, THI and SLEH. He previously served as Chief of Medicine at the Michael E. DeBakey Veterans Administration Medical Center and is Vice Chair of the Department of Medicine at Baylor College of Medicine. Dr. Carabello was also selected to head THI’s new Center for Heart Valve Disease, which opened in January 2012.

ST. LUKE’S THE WOODLANDS HOSPITAL (SLWH)

- Debra F. Sukin, CEO, St. Luke’s The Woodlands Hospital and St. Luke’s Lakeside Hospital, was promoted to Senior Vice President of St. Luke’s Episcopal Health System, effective December 2011.
- Peg Reiter, RN, PhD, Chief Nursing Officer, SLWH, was named Vice President, SLEHS.
- *U.S. News & World Report* named SLWH as one of the Top 10 hospitals in the Houston Metro Area with special recognition for its high-performing Neurology & Neurosurgery and Orthopedic services.
- In October, SLWH was awarded the Texas Mother-Friendly Worksite designation for its commitment to improving the health of newborns and infants.
- The new St. Luke’s Performance Medicine facility, an outpatient department of SLWH, celebrated its multi-million dollar expansion and renovation with a ribbon-cutting ceremony in October. The 7,000-square-foot facility, formerly known as Tektonic Athletic Development and Rehabilitation, specializes in sports medicine, physical rehabilitation, sports performance assessment, and training. The center also features a Human Performance Lab that offers one of only a few Bod Pods in Greater Houston. The Bod Pod provides highly accurate body composition

analysis due to its unique air-displacement technology. The Lab also utilizes VO² Max with EKG equipment to measure an athlete's ability to consume and use oxygen effectively. The center also offers personal wellness programs, concussion management, work rehab, and a cardiac and pulmonary rehabilitation program.

- SLWH received the American Heart Association's Mission: Lifeline® Bronze Quality Achievement Award for the Hospital's commitment and success in implementing a higher standard of care for heart attack and STEMI patients.
- In October, SLWH opened the Wound Care Clinic in the campus' Medical Arts Center (MAC) III building. The clinic is the only outpatient hospital-based wound care clinic in the South Montgomery County and North Harris County area; and the only one of its kind in the area to offer the technologically advanced hyperbaric oxygen therapy chamber treatment.
- SLWH expanded its Neuroscience Center with the addition of Interventional Neuroradiology. This accredited medical sub-specialty uses minimally invasive image-based technologies and procedures to diagnose and treat disorders of the head, neck, and spine.
- SLWH received the UnitedHealth Premium Specialty Center designation in recognition of quality care for Cardiac Surgery, Interventional Cardiac Care, and Electrophysiology. The Hospital met extensive quality and outcomes criteria based on nationally recognized medical standards and expert advice.
- SLWH received the 2012 "Best Practices Award" from Comprehensive Pharmacy Services (CPS)—marking the third time the hospital has garnered this recognition. The award for the Southwest Region was granted for a score of 95 percent or higher on CPS' annual operational audit.
- The Texas Health Care Quality Improvement Awards committee awarded SLWH its Silver Award, which acknowledges hospitals for improving care related to acute myocardial infarction (heart attack), heart failure, pneumonia, and surgical care and excellence in healthcare quality through improved performance on national quality measures.
- SLWH's Sleep Center program received a five-year accreditation from the American Academy of Sleep Medicine (AASM).
- Panera Bread restaurant in The Woodlands donated \$4,150 through its Operation Dough-nation program to SLWH's Good Shepherd Fund, which provides modest support for patients and families to help fill the gaps that medical insurance doesn't cover.

- In May, SLWH treated its 100th patient with the Gamma Knife® technology. The procedure was performed by Neurosurgeon Dr. Shedden, FRCS(C), FACS, Medical Director, Neuroscience Center. SLWH acquired the Gamma Knife® in 2011 and remains the first and only hospital in North Harris and Montgomery counties to offer the technology.
- SLWH provides an outreach clinic for advanced cirrhosis therapies and pre-screening for potential liver transplant with Texas Medical Center physicians. The clinic, staffed by the liver transplant physicians from St. Luke's Cooley Transplant Center®, in affiliation with the Baylor College of Medicine, serves patients with end-stage liver disease, complications of cirrhosis, and benign and hepatobiliary disorders.
- Honored as a "2012 Hometown Hero" by Interfaith of The Woodlands, SLWH was recognized for its outstanding support provided to the community in nonprofit donations, volunteerism, community education, and sponsorships.
- SLWH hosted its second annual Medical Mentorship Program, which is dedicated to providing high school upperclassmen and college students the opportunity to experience a physician's day-to-day responsibilities.
- The Pediatric Department received a makeover in the "Sunshine Closet," which houses toys and equipment for patients and guests of the Pediatric Unit. The new organization system, valued at more than \$4,000, was donated by The Container Store in The Woodlands as a collaborative effort with the Junior League of North Harris and South Montgomery Counties.
- SLWH and SLLH volunteers were honored in April at the annual Auxiliary Awards Luncheon that recognized the more than 28,000 service hours donated by volunteers at both hospitals in 2011, valued at \$610,362.

Expansion

- On March 1, SLWH's second parking garage was completed. The garage features six floors with 780 additional parking spaces, which complements the first garage that was built in 2011 with 400 spaces—for a total of 1,180 spaces.
- In June, SLWH opened the West Tower's fourth floor. The new patient care area added 30 single-room beds to the existing 154 patient rooms, increasing the hospital's bed capacity by nearly 20 percent. SLWH continues construction of the West Tower's fifth and sixth floors, potentially opening an additional 60 patient beds by 2014.
- This fall, the new MAC III building opened for physicians. The four-story 100,000 square-foot medical office building is LEED-certified—the state-of-the-art "green" building is environmentally friendly and energy efficient.

ST. LUKE’S SUGAR LAND HOSPITAL (SLSL)

- SLSL completed a successful DNVH survey accreditation. The Hospital leadership team used evidence from their tracers and mock survey as well as other survey experiences in preparation.
- The hospital experienced significant improvement by reaching the 84th percentile in the Employee Engagement Survey.
- SLSL has been selected as a winner of NRC Picker’s Third Annual Path to Excellence Award, which recognizes healthcare organizations for their dedication to improving the patient experience.
- The hospital hosted the special community event, “Pink is the Word,” in recognition of Breast Awareness Month. More than 100 attendees enjoyed massages, yoga & zumba demonstrations, an educational talk featuring MD Anderson Cancer Center physicians, relaxation techniques, and the hospital imaging department also presented its technologies and services.
- St. Luke’s Sugar Land sponsored and participated in various community events including:
 - Annual Fort Bend Chamber of Commerce Chairman’s Ball and Golf Tournament
 - Fort Bend Family Promise 8th Annual Golf Tournament
 - Annual Grant a Starr Fun Run – The Grant-A-Starr Foundation for advancing diagnostic testing to save children’s lives
 - “Girlfriends Giggle” benefiting the Fort Bend Women’s Center
 - CASA Home Tour benefiting Child Advocates of Fort Bend
 - Annual City of Rosenberg Health Fair
- SLSL welcomed three physicians to the Sugar Land Doctor Group: Eric Berkman, MD, Orthopedic Surgery; Ruby Parveen, MD, Neurology; and Quocdai Park, MD, Cardiology.
- St. Luke’s Sugar Land Hospital volunteers donated 8,376 hours of service. In celebration of National Volunteer Week in April, SLSL volunteers were recognized for service hours valued at \$178,911.

ST. LUKE’S LAKESIDE HOSPITAL (SLLH)

- St. Luke’s Lakeside has been named by *Modern Healthcare* as one of the “Best Places to Work in Healthcare”—one of only two hospitals in Greater Houston to be recognized. Since its opening in 2009, this is the second consecutive year SLLH has been awarded the distinction— moving from 50th out of the Top 100 to 26th.

- SLLH has been awarded accreditation by the Accreditation Committee of the College of American Pathologists based on the results of a recent onsite inspection of the facility's laboratory.
- SLLH completed a reaccreditation survey under Det Norske Veritas Healthcare in September. In addition to the evaluation of accreditation standards, the unannounced surveys included a full review of compliance with ISO 9001:2008 Quality Management System requirements.
- SLLH received a Silver Award from the Texas Health Care Quality Improvement Awards Committee. The award acknowledges hospitals for improving care related to acute myocardial infarction, heart failure, pneumonia, surgical care, and excellence in healthcare quality through improved performance on national quality measures.
- Employees and the medical staff at SLLH continue to demonstrate *Faithful, Loving Care®* by leading nationally in patient satisfaction scores, as measured by the Hospital Consumer Assessment of Healthcare Providers (HCAHPS). Patients were asked, by a third-party, a series of questions on the care they received. Topics included communication with doctors and nurses, responsiveness of hospital staff, pain management and medication, discharge information, and cleanliness and quietness of the hospital environment.
- SLLH employees and physicians volunteer each year at community events including Health Fairs, Student Athlete Physical Night, Conroe ISD Stadium events, and South Montgomery County youth football games.
- For Employee Engagement scores, SLLH scored in the 100th percentile nationwide and had the highest employee engagement scores in the Health System at 100 percent participation.

ST. LUKE'S HOSPITAL AT THE VINTAGE (SLHV)

- SLHV hosted "A Healthier You" seminar to help employees improve overall health and goals for success in weight management.
- The Emergency Department continues its exceptional performance with an average wait time of less than 21 minutes. The ED also exemplifies *Faithful, Loving Care®* by leading the System in ED patient satisfaction with overall scores in the top quarterile nationwide.
- In September, SLHV launched its Vascular Surgery program with the addition of two vascular surgery specialists. The new service line allows physicians to diagnose and treat many diseases that affect the circulatory system.
- The SLHV Family has grown to 517 employees and currently has 298 physicians

on staff. The increase in medical staff has added numerous specialties and expanded the services SLHV provides for the community.

- The hospital is scheduled to complete construction of its new administrative building in December 2012. The completion of this project allows SLHV to care for patients on the remaining two nursing units located on the fourth floor of the hospital.

ST. LUKE'S PATIENTS MEDICAL CENTER (SLPMC)

- The number of Emergency Department visits increased by 33 percent.
- Cath Lab admissions have increased 21 percent over last year.
- The hospital received three-year accreditation in Computer Tomography (CT), Magnetic Resonance Imaging, Ultrasound, and Nuclear Medicine from the American College of Radiology.
- SLPMC hosted a "Drive-Thru"-styled flu shot clinic offering \$25 flu shots to the community. Free flu shots were administered to the men and women of the Pasadena, Deer Park, and La Porte police and fire departments.
- SLPMC continues to meet the needs of its community through educational outreach programs and services, including health and wellness fairs and sponsorships of various community events, including:
 - DOW Chemical Deer Park Complex Health & Safety Fair
 - Sulzer Industries Health & Safety Fair
 - Pasadena Independent School District New Teacher Fair
 - Southeast Harris County Hurricane Workshop/Safety Fair
 - Pasadena Chamber of Commerce Business Expo
 - City of Pasadena Police Department Fallen Heroes Fun Run (Sponsor)
 - McDonald's Texas Invitational Basketball Tournament (Sponsor)
 - Pasadena Livestock Show & Rodeo (Sponsor)
 - American Heart Association Bay Area Walk for 2012 (Sponsor)
 - School Supply Drive for Dabbs Elementary
- SLPMC employees raised \$12,000 for the American Heart Association.
- Free "Safe Sitter" classes were held during the summer for students from ages 11 to 17.
- The hospital hosted free monthly, "Think Healthy," lectures for the community. Members of SLPMC's medical staff presented topics including:
 - February – Women's Heart Health
 - March – Sleep APNEA: Signs and Symptoms
 - April – Managing Memory Loss

- May – Hip & Knee Osteoarthritis: Prevention and Treatment
- September – Protect Your Prostate: Man to Man Talk
- October – Women’s Health: Breast Cancer Awareness

ST. LUKE’S EPISCOPAL HEALTH CHARITIES (SLEHC)

For 15 years, St. Luke’s Episcopal Health Charities has advanced its healing mission to improve community health.

Operations

In February, SLEHC welcomed six new Board Members: Mr. Peter Boyd, President of Southside Bank in Tyler, Texas; Mrs. Rogene Calvert, Director at Outreach Strategists; Dr. Jennifer Litton, Assistant Professor, Department of Breast Medical Oncology at UT MD Anderson Cancer Center; Dr. Curtis Mooney, former President of DePelchin Children’s Center; The Honorable Ellen Shelton, Associate Judge, 312th District Court; and Dr. Grace Villarreal, Medical Director of the Pediatric and Adolescent Health Center in Pasadena, Texas.

Grantmaking

In 2012, many nonprofit health and human service providers experienced difficult challenges, especially regarding funding. The Charities was mindful of its commitment to the underserved and made every effort to minimize reductions in its funding. As a result, we did not encourage new programs or first-time applicants to apply, and funds for capital requests remained very limited and by invitation only.

Our first commitment is to current grantees, and the funding focus continued to be on direct service providers. SLEHC continued to fund operating and program services as well as organizational capacity building efforts to enhance effectiveness and leadership.

In 2012, The Charities received 86 grant proposals. Sixty-eight grants were awarded, totaling \$3,183,929 million, to programs within the Diocese. SLEHC also leveraged an additional \$3.0 million in funding. Program areas include:

Advocacy	\$ 15,000
Social Health	\$ 700,829
Homeless	\$ 527,847
Mental Health	\$ 167,030
Dental Health	\$ 135,200
Community Health Clinics/Non-FQHC	\$1,145,373
Federally Qualified Health Centers	\$ 492,650
Total	\$3,183,929

- The Charities’ 15th Anniversary Crystal Gala was held on November 15 and featured Emmy®-award winning CNN Chief Medical Correspondent Dr. Sanjay Gupta as the keynote speaker.

- Members of the SLEHC staff have been attending the Medicaid 1115 Waiver meetings, gathering background information, and providing resources for hospitals in the Health System. The Charities have met with representatives of the Harris Health System to identify areas that may be appropriate for Delivery System Reform Incentive Payment projects that could be funded by the Waiver.
- SLEHC has collaborated with the Mental Health Mental Retardation Authority of Harris County and Texana, the Mental Health Authority for six additional counties in our region. The Charities has proposed a new Behavioral Health Portal that would link people to services and provide training opportunities for behavioral health professionals and interested lay leaders.
- SLEHC Executive Director Patricia Gail Bray, PhD, and several staff members contributed a chapter exploring the impact of education on health for the Center for Houston's Future's *2012 Indicator Report*. This annual report uses key metrics to help the eight-county Greater Houston region measure progress in key areas.
- The Charities staff members Jeanne Hanks, DrPH, and Valerie Mattice attended the Practicum Fair at SRPH. Selected students will work with Dr. Hanks and Ms. Mattice to expand Project Safety Net to the 57 counties of the Episcopal Diocese of Texas.
- Dr. Bray, and Celene Meyer, Director, Center for Collaborative Leadership, were invited by the Robert Wood Johnson Foundation to review nominations for its annual Community Health Leadership Awards. Each year, The Foundation gives 10/\$125,000 awards to unrecognized community health leaders.
- SLEHC remains committed to obesity prevention and is an active member of the Healthy Living Matters collaborative. Called together with a \$2.5 million grant from the Houston Endowment, this group is a multi-sector, public/private partnership of local leaders. The Charities is helping to determine the mission, scope, and operation of a two-year planning initiative to curb childhood obesity in Houston/Harris County through policy action for system and environmental change.
- Project Safety Net has added Human papillomavirus (HPV) immunizations to the list of searchable services on the navigation Web site. The addition of HPV immunizations to Project Safety Net will enable community health workers to easily identify nearby clinics that can provide this important immunization.

Community Leadership Award

SLEHC received 22 nominations for the 2012 Community Health Leadership Award. A panel of 18 volunteer judges and seven Charities Board Members evaluated the top 10 finalists. The winner, Aijaz Ali Khowaja DrPH, MPH, MBBS, Chief Executive Officer, Ibn

Sina Foundation, Inc. was announced at the Charities 15th Anniversary Celebration in November.

Center for Collaborative Leadership

The Center for Collaborative Leadership has adopted the following mission and vision to guide its work.

Mission: The St. Luke's Episcopal Health Charities' Center for Collaborative Leadership will make high-impact educational and financial investments in community health within the 57-county Episcopal Diocese of Texas and will advance the understanding and practice of collaborative leadership among community health leaders.

Vision: The St. Luke's Episcopal Health Charities' Center for Collaborative Leadership will be an innovative force in research-informed, transformative grantmaking and collaborative leadership, fostering healthier communities and strengthening the organizations and individuals that serve them.

- The Collaborative Leadership Academy's learning program welcomed its first cohort of students consisting of a dozen organizations represented by their chief administrator and an active board member. The key learning opportunity was the experience of designing, building, and maintaining a collaboration that addresses one or more health disparities in The Charities' service area.
- Members of the Center for Collaborative Leadership Advisory Council met as a working group to address the Collaborative Leadership Academy (CLA) curriculum. The learning program has been enhanced by input from the Council and from agencies and colleagues across the country. To date, contact with community health, higher education, and funding partners in Minnesota, Wisconsin, Austin, and San Antonio have provided valuable information to the CLA.
- SLEHC co-sponsored a presentation by Bill Greehey, Chairman of the Board for Haven for Hope, a non-profit based in San Antonio, Texas, dedicated to transforming and saving lives by addressing the root causes of homelessness through education, job training, and behavioral health services.
- The focus of the 2012 After School Workshops (ASP) were on qualitative and quantitative measures for program evaluation. The first meeting was hosted by Small Steps Nurturing Center, a current grantee of SLEHC that incorporates evidence-based practices developed through a partnership with Texas Children's Hospital.

This year, St. James' Episcopal School Extended Care Program, located in Houston's Third Ward, joined the ASP workshops. The Charities staff has been working closely with St. James' School to apprise them of activities and

information shared during the 2011 workshops. SLEHC is looking forward to this first expansion of ASP workshop participants and expects all participants to benefit from learning how to evaluate their current program practices.

- To model the collaborative process taught in the CLA, SLEHC administered an online survey to 100 current and past grantee organizations soliciting their feedback as to the content and structure of the upcoming collaborative leadership training. More than 50 percent responded with questions, ideas, and preferences that will help frame the learning program.
- Twenty-six members of the Episcopal Homeless Initiative, representing homeless service agencies throughout Houston/Harris County, met in April. The group formed three years ago at the request of SLEHC in order to foster relationships within this mission-driven community. The meeting featured presentations by Sgt. P.J. Plourde of the Houston Police Department's Crisis Intervention Team, Officer Jaime Giraldo and Sgt. Steve Wick of HPD's Homeless Outreach Team, Buddy Grantham of the City of Houston's Office of Veteran's Affairs, and Phil Pierce of Main Street Ministries' Project ID.
- Two University of Chicago students successfully completed SLEHC's 10-week summer Internship Program. During their rotations through The Charities, the interns were involved in a number of projects, including: reading Cycle 3 grants and providing reviews, preparing a literature review on religion and inequality, and assisting in a Sunnyside neighborhood windshield survey. They also conducted site visits to Workshop Houston, Bering Omega Clinic, and Casa de Esperanza de Los Niños to better understand the variety of organizations funded by The Charities.
- The Bishops' Health and Outreach Conference was held in September at Camp Allen. The Conference represented a partnership between SLEHC and the Diocese to bring together service providers, clergy, and outreach coordinators for a shared learning experience on "Strengthening our Communities through Service." Bishop Doyle inspired the group to "build a community of relationships." He encouraged attendees to reach out to understand the needs in their communities and to address them with meaningful service. Conference workshops supported the Bishop's message by offering "how to" sessions on communication, small and large church outreach programs, and engaging community. SLEHC Research Directors gave two workshops on the basics of SLEHC's mixed methods approach to needs assessment.

Center for Community-Based Research

- Community-Campus Partnerships for Health (CCPH) and The Charities partnered to convene the 15th Anniversary Conference, April 18–21, in Houston, Texas. The purpose of the conference, titled *"Community-Campus Partnerships as a Strategy for Social Justice: Where We've Been & Where We Need to Go,"* was to nurture a growing network of community-campus partnerships that are striving to solve our most pressing health, social, and economic challenges.

- SLEHC is partnering with the Breast Health Collaborative of Texas on a grant application to the Komen Foundation, submitted in September. The grant proposes to continue the field testing of our practice-based intervention to improve mammography appointment attendance in underserved African-American women. The grant will focus on the extension of the program into additional clinics in the Houston area, including Central Care Federally Qualified Health Center in Sunnyside and Houston Area Community Services.
- The Charities was invited to attend the Annual Avon Foundation Breast Cancer Forum in New York. Dr. Linda Highfield represented SLEHC's Center for Community Based Research, which has had research projects funded by the Avon Foundation since 2010. SLEHC's research has focused on reducing the no-show rate for low-income African-American women for mammography screening appointments in partnership with The Rose and the Breast Health Collaborative of Texas. This year, the Forum focused on patient navigation and consisted of presentations from selected Avon grantees who discussed their programs and practices.
- Bishop Janice Riggle Huie and the Texas Annual Conference of the United Methodist Church have awarded SLEHC a matching grant to continue a research project started in 2009. The project, known as Sunnyside Up!, led by Dr. Karen Jaynes Williams, focuses efforts in the Sunnyside neighborhood to develop a congregational-supported intervention to strengthen the resiliency of children to prevent mental illness. The funding this year included \$50,000 that will be reserved specifically to meet immediate needs in the community and to support efforts that elevate the work of the initiative.
- The Charities recently closed the one-year pilot project that aimed to apply the *Promotora de Salud Model* in an urban or urban-mixed area and to evaluate the effectiveness of using promotoras in reaching Latinas about folic acid awareness and birth defects prevention. SLEHC selected two well-established Promotora programs in Harris County: ProSalud and the Planned Parenthood Gulf Coast and its Southeast Texas Promotora Program. A total of 512 participants completed the intervention surpassing the goal of 300 by 71 percent (212 women). Further, the lost to follow-up rate over the four-month project period for each participant was only 11 to 12 percent, reflecting the hard work and commitment of the promotoras in the field.
- The Center for Community-Based Research recently released a Request for Applications for its new bi-annual \$20,000 Community Health Research Award. The award seeks to fund a *non-traditional community-academic partnership* that demonstrates creative use of the Charities' Prioritized Research Approaches (also understood as community-based participatory research) and SLEHC's research resources (Healthy Neighborhood Initiatives, Project Safety Net, or the Breast Health Portal). The winning applicant will be announced in 2013. SLEHC established the Community Health Research Award to advance its mission of

increasing opportunities for health enhancement and disease prevention, especially among the underserved, and making possible measurable improvements in community health status and individual well-being.

- The Houston-area Suicide Prevention Coalition's September 13 workshop, "Spiritual Perspectives on Suicide Prevention: Tackling the Taboo and Promoting Understanding," was sponsored by SLEHC. The workshop included a keynote address and a panel discussion featuring several different religious perspectives. Among the panelists was the Rev. Lillian Hyde, Chaplain, SLPMC.

David J. Fine, President and CEO

St. Stephen's Episcopal School

St. Stephen's Episcopal School, a coeducational boarding and day school for students in grades 6–12, is a caring and diverse community, grounded in the Christian tradition, that nurtures moral growth and values the potential and dignity of every human being. The School challenges motivated students to live intelligently, creatively, and humanely as contributing members of society, developing the whole person by providing rigorous academic preparation, stimulating physical activities, and rich opportunities in the fine arts.

The School continues to benefit from the leadership of Robert E. Kirkpatrick, now in his sixth year as Head of School. We opened the 2012–13 school year on sound financial footing, having now balanced the operating budget for eight years in a row.

Annual Giving remains healthy and strong, with high participation numbers from all constituents. We closed out the 2011–2012 school year with \$1,419,668 in unrestricted gifts to the school. We are especially pleased to note that 76% of our international families gave generously to Annual Giving. We have raised \$20.5 million for our Frame the Future comprehensive campaign and completed construction on a new 60-person dormitory, 10 faculty residences, pedestrian green, and arts studio.

The total enrollment of the School for 2012 is 669; the 164 boarding students represent 9 states, 29 cities in Texas and 16 foreign countries, bringing an unmatched diversity of race, ethnicity, and religion to our campus. Our 505 day students (205 in Middle School and 466 in Upper School) are from 38 different zip codes in the Austin area. Students of color represent approximately 36 percent of the enrollment, and approximately 42 percent when including international students. We awarded \$1.85 million in need-based financial assistance to 97 students (14% of the student body).

Bishop Hines' founding vision of a talented and diverse student population is alive and well, and the School continues to furnish its students with outstanding academic preparation. Last year, its students' mean SAT scores exceeded 1920 (620 Critical Reading, 666 Math, 637 Writing); its 122 graduating students enrolled at 77 different colleges and universities; and 25 percent of the School's graduating seniors were recognized as National Merit Semi-Finalists, National Achievement Scholars, National Hispanic Scholars, or National Merit Commended Students.

The Chapel is at the center of the St. Stephen's campus and experience, and includes significant opportunities for spiritual formation as well as student participation and leadership. This year, we are pleased to welcome the Reverend Todd FitzGerald as our new chaplain. Reverend FitzGerald was officially installed at a ceremony

attended by the entire St. Stephen's community on October 19, 2012, and we are delighted to have him among us.

The impact of spiritual development at St. Stephen's is seen in the commitment of our students to service to their community. Our students expended more than 5,000 hours of service to non-profit organizations this past year, including volunteer work with such organizations as Any Baby Can and Mobile Loaves and Fishes and the tutoring and mentoring of students in the Breakthrough Program.

Students also volunteer outside of the Austin area through summer programs assisting with education and health initiatives in Haiti, Nicaragua, El Salvador, and the Jicarilla Apache Reservation in Northern New Mexico. In addition, we have established a sister school relationship with Ecole Ste. Etienne in Haiti in connection with which we raise money for school supplies, teachers, and meals.

The 2012–2013 school year is off to a great start, and we are optimistic about the future of St. Stephen's Episcopal School as it works to produce graduates who possess sharp minds, humble and serving hearts, and strong spirits.

Clarke Heidrick, Executive Chair, Board of Trustees

Sewanee: The University of the South
(No Report Received)

William Temple Episcopal Center

The William Temple Center is in the midst of an exciting transition. In 2012, the Rev. Kyle Stillings stepped down as Executive Director. We give God thanks for his ministry.

Leading up to Rev. Stillings' departure, it became increasingly clear that the ministry, in its current form, was becoming increasingly unsustainable. A diminishing endowment was among the factors that led to this realization. A growing concern emerged regarding the financial and visionary future of William Temple Ministries.

There is fresh hope and new life to report. The historic William Temple Center building on Galveston Island is in the process of being sold. The ministry has moved to Trinity, Galveston, under the guidance of the Rev. Susan Kennard. Rather than diminishing in size, the ministry has grown. More than 50 students participate in the ministry on a weekly basis.

A small, temporary board has been approved by the executive board to help with the transition process. The Rev. Canon John Newton currently serves as executive chair. Other board members include the Rev. Susan Kennard (Trinity, Galveston), the Rev. Meredith Holt (Grace, Galveston), Michael Jackson (St. Vincent's House), Cleavon Covington (UTMB student), and Kami Lockamy (UTMB student).

In November, Tammy Fountain was hired as the new interim director of William Temple ministries. Tammy will work closely with Rev. Kennard and Canon Newton in the midst of this transition. In the meantime, the students are being fed physically and spiritually by the ministry and are excited about the future. Major goals for 2013 include selling the building, replenishing the endowment, and creating a strategic and sustainable plan for William Temple Ministries moving into the future.

Please direct all questions regarding William Temple Ministries to the Rev. Canon John Newton at jnewton@epicenter.org.

John Newton, Executive Chair

IX. ADDITIONAL REPORTS

Altar Guild

At Council, members of the Diocesan Altar Guild Board assisted the Bryan/College Station churches with the opening Eucharist, providing support with setup, assistance during the service, and with the cleanup.

The annual board meeting was also held in February to finalize the preparations for the annual retreat to be held in March.

The March retreat was held March 25–28, 2012, at Camp Allen. In attendance were 50 members from guilds across the diocese and from the dioceses of both West Texas and Western Louisiana. Spiritual direction was provided by the Rev. John Williams and the Rev. Lacy Largent, our chaplains. The opening Eucharist included the blessing of our hands. Workshops covering embroidery, needlepoint, rope crosses, linens, and sacramental wine tasting were offered. Evenings for fellowship, spiritual guidance, and round-table discussion helped us all learn new things. The President of National Altar Guild Association, Jane Ames, joined us with her first trip to Texas.

Bishop Doyle installed Joan Konecny as the new Director for the Triennium 2012–2015. The board has replaced two retiring members, Rhonda Cummings and Elizabeth Coffin with William Kennard and Katherine West, respectively. The closing service included blessing the work done by participants.

In July, several of us travelled to Indianapolis to participate in National Altar Guild Triennium. This included Alice Scarbrough, Katrina Packard, Katherine West, Georgia Raffalovich, Joan Konecny, Ginnie Rosch, and Michele Roberts. The group was treated to excellent keynote speakers including Bishop Magness, Canon Robertson, and Rev. Bill Miller. All gave us good support and direction for the new Triennium. At the closing service, Katrina Packard, St. James', La Grange, was installed as the President, and Joan Konecny was installed as the Second Vice President of National Altar Guild Association. The service was conducted by the Rt. Rev. Rayford B. High, retired Suffragan Bishop of Texas.

October brought us the consecration of the Rev. Jeff W. Fisher to be our new Bishop Suffragan. The Altar Guild Board assisted Christ Church, Tyler, with preparation and the service for Bishop Fisher.

At the end of October, Bishop Doyle met with the Presidents of Episcopal Church Women, Daughters of the King, and Altar Guild to transition the oversight of these ministries to Bishop Fisher. A strategy session included plans to combine these ministries activities, making them available to more parishioners around the diocese.

Joan W. Konecny, Director

Brotherhood of St. Andrew

Most of the activity of the Brotherhood of St. Andrew is within the Chapter of a parish church or mission. The Assembly structure is the planning and coordination of events too extensive for a single Chapter. Within the Diocese of Texas there are Two Assemblies. The Austin Convocation has the Austin Assembly, and the remainder of the Diocese is incorporated into the Texas Assembly.

The booth at Annual Diocesan Council is presented by the Diocesan organization including both Assemblies.

In addition to the officers meeting, the Austin Assembly has a Men's Retreat in August at the Wessendorff Ranch. There was a work day scheduled in September at Down Home Ranch, but it was rained out. Both of these events were lead by the St. Matthew's Chapter.

The Texas Assembly is in transition. There is an effort to identify a pool of talent from which Assembly Officers can be selected. Many of the Brothers Andrew who led the Assembly are passing the torch to the younger Brothers Andrew due to either death or aging.

The 2012 event for the Texas Assembly included:

- The Annual Meeting was held in Camp Site 1 of Camp Allen in January.
- A successful Golf Tournament in May at the Cypresswood Golf Course in Spring, Texas.
- The Fall Boys Retreat in September at Camp Site 3 of Camp Allen for 28 boys, many from the inner city of Houston.

Serving as assistant diocesan coordinators are:

Roger Seyler, Austin Convocation, roger.seyler@sbcglobal.net, and
Chuck Stanton, San Jacinto Convocation, chuckstanton.pillartopost@gmail.com.

David L. Hobbs, Diocesan Coordinator

Daughters of the King

The Order of the Daughters of the King, Episcopal Diocese of Texas, met in Assembly twice this year.

The Spring Assembly was held on February 24–25, 2012, at St. Dunstan's, Houston, Texas, and the Fall Assembly was held on September 14–15, 2012, at Camp Allen.

We gave grants in the amount of \$7,722 for Daughters to attend Triennial in June. This amount includes a grant for a Daughter in Jerusalem to come to Triennial. We also gave \$1,000 to Christian Women's Job Corp in Henderson, Texas. We are very proud to announce that we have also funded the Jr. Daughter Retreat again at Camp Allen coming up in December 2012.

I am currently serving my first year of a 3-year term as the Diocesan President of the Order of the Daughters of the King. I am looking forward to what the next two years have in store for us as Daughters of the King as we pray, serve, and evangelize.

Jackie Eckersley, President

Episcopal Church Women

During the 2011–2012 year, the Board of the Episcopal Church Women of the Diocese of Texas met four times under the leadership of President Betsy Sullivan. Four board members served as delegates to the 47th Triennial Meeting in Indianapolis, held during General Convention. They presented Pat High as the Distinguished Women from the Diocese of Texas at the ECW awards ceremony and visited the House of Bishops for the Rev. Jeff Fisher's seating as Suffragan Bishop elect. We represented Diocesan ECW at the 163rd Diocesan Council held in Bryan/College Station and promoted upcoming events. In April, we held a Spiritual Growth Retreat at Camp Allen, attended by 27 women.

We awarded seven scholarships totaling \$3,150, through the Vera Gang Scott Scholarship Fund, to Episcopal young women pursuing higher education and three

outreach grants totaling \$3,000 to the Church of the Good Shepherd, Friendswood, St. Christopher's Episcopal Church, League City, and Grace Episcopal Church, Georgetown. We donated \$500 to St. James House, Baytown, and \$1,000 to St. Dunstan's, Houston, for a medical clinic going to the Lakota Sioux reservation. Our board selected Faith Village, of Bastrop Wildfire Relief, to be the outreach project at Annual Retreat and collected over \$800 in gift cards and cash for this effort. Also, we supported two projects of the Diocese of Texas' Southern Malawi Initiative: Nets for Life and Little Dresses for Africa.

During the year, our convocation coordinators held gatherings in many of the ten convocations throughout the diocese. We printed and distributed hundreds of English and Spanish calendars to ECW groups and the 151 churches in the diocese. We held our 2012 Annual Retreat at Camp Allen, hosted by St. Stephen's, Liberty, and the Diocesan Board, and 151 women attended this spirit-filled weekend.

One of the highlights of the past year was participating in a visioning session, led by Mary MacGregor of the Diocese, to determine how best to move forward as an organization as we continue to touch the lives of the women of our diocese both now and in the future.

Betsy Sullivan, President

United Thank Offering

Offerings of \$16,593.41 in the fall 2011 ingathering and \$22,031.95 in the spring 2012 ingathering from 44 churches in the Diocese of Texas were sent to national United Thank Offering. St. Martin's, Copperas Cove, was awarded by the national UTO board a \$4,205.95 grant to expand their Kids on the Block - Central Texas ministry.

Ellen G. Cook, UTO Coordinator