Canonical Compliance for Parishes

The canons of The Episcopal Church (TEC) and the Episcopal Church in Connecticut (ECCT) are proposed and voted on by General Convention and Diocesan Convention, respectively. The requirements set forth are intended to promote a host of institutional virtues (including financial sustainability, transparency, equity, careful stewardship of resources), and all parishes must comply with both TEC and ECCT canons. Full ECCT canons can be found at EpiscopalCT.org, and full TEC canons can be found through Google. Vestries need to be particularly aware of the following:

- **ECCT Canon XIV** requires timely payments for clergy pensions to the Church Pension Fund.

- Parochial Reports must be submitted before **March 1**, as specified by **Title I Canon 6.1** of The Episcopal Church.

- Parishes must contribute 10% of trailing year operating revenues to Common Mission Support (CMS), according to **ECCT Canon I.11.A**. 2021 CMS is based on reported 2019 revenue.

- Parishes must submit annual financial reviews (full audits for parishes with $750,000 or more in total revenues) for the previous year by **September 1**, as required by **ECCT Canon IV.4.D**.

- Parishes must manage their endowment draws for operations in compliance with the moderate level (less than 25% over any rolling three-year period) specified by **ECCT Canon I.11.B**. A recommended endowment draw is 5% or less.

- **ECCT Canon IV.2.A** covers endowment management practices. Parishes must either:
  - Rely upon the fiduciary services of the Trustees of Donations & Bequests for Church Services, Inc. to oversee management of their endowment investments
  - Or have received approval from ECCT’s Bishops and Finance Committee to oversee services of non-bank investment advisors and managers based on their policies and capabilities of their Finance Committee (see [www.episcopalct.org/investment-management](http://www.episcopalct.org/investment-management) for approval criteria)