



## PROPOSED LEGISLATION FORM

Date: \_\_\_\_\_

Person submitting Bill: Bill Dickens

District: 5<sup>th</sup> Conference: Pacific Northwest

Address: \_\_\_\_\_

Ph. \_\_\_\_\_ E-mail: \_\_\_\_\_

1. Check the appropriate response.  Prior Bill;  Newly Proposed Legislation
2. Check all that apply. This bill has been reviewed, discussed and is supported at the following levels:

Local Church Lay Organization	District of the Annual Conference Lay Organization	Conference Lay Organization	Episcopal District Lay Organization
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**3. Complete the following**

<b>BILL NO.</b>	<b>Leave Blank</b>
<b>TITLE</b>	Merging the Department of Annuities & Investment with the Treasurer
<b>REFERENCE</b>	<i>The Doctrine and Discipline of the African Methodist Episcopal Church 2012, Part IX Church Finance, Section IV Financial Planning (Page 238)</i>
<b>INTENT</b>	The AME Church has two Connectional departments with overlapping financial functions (Treasurer and Department of Annuities and Insurance). Current economic conditions within the African American community do not warrant both departments. Organizational efficiency is lost when different departments perform separate but similar functions. If the goal is to provide a stream of highly valued-added services that maximize organizational efficiency, departments must merge or be consolidated. The African Methodist Episcopal Church should move quickly in identifying departmental

synergies, merge such entities and provide budgetary relief for the Connectional Church.

**RATIONALE**

Precedence has been established in merging the functions and duties of General Officers. Most recently, the General Officer serving as Editor of the AME Review merged with the Historiographer's Officer creating the Department of Research and Scholarship. More consolidations are needed to capture operational efficiency, Connectional budgetary savings and budgetary relief for local churches struggling to meet their Connectional budgetary assessments. All financial management decisions should be under the supervision of the Chief Financial Officer (CFO). Therefore, at the close of the 2016 General Conference the Department of Annuities & Insurance shall be eliminated and those duties transferred to the CFO in a new **Department of Finance**.

- 4. Existing Legislation now reads: (Quote applicable portion of current legislation; Include rationale for the change.) If more space is needed, please continue on a separate page identified as "No. 4 continued".**

**Current Text:** Annuity Investments and Insurance

This fund provides for the rent, travel and salary of the Executive Director of the Department of Annuity Investments and Insurance and the Administration of the Department. Management of the insurance, annuity and retirement programs for bishops and ministers is a part of the administration of this office and is paid for out of funds generated.

- 5. Proposed NEW wording (by article, section, and subsection). If more space is needed, continue on a separate page identified as "No. 5 continued".**

Combine the duties of the Department of Annuity Investments and Insurance listed on pp 162-166 and necessary staffing to the duties of the under the Treasurer of the Church and Chief Financial Officer on pp 131-135.

Add item to Treasurer duties that requires that all funds transferred from the Annuity Department be designated as restricted funds and not be co-mingled with general funds.

**Cost: FINANCIAL IMPACT:**

This proposed legislation will have a financial impact on the General Church Budget. The impact will be a savings on the General Church Budget. The savings are:

A. Elimination of Department of Annuities & Insurance	\$587,412.00
B. 20% of Gross Savings transferred to the CFO for staffing	\$117,500.00
<b>C. Net Budget Savings (A- B)</b>	<b>\$469,912.00</b>