

# The Diocese of South Dakota



Reverend Canon Allen L. Lewis  
Canon to the Ordinary

26 February 1988

The Very Reverend Karen E. Hall  
306 NW Third  
Madison, SD 57042

Dear Karen,

You asked me to clear up for you and the people at Grace Church, Madison the status of the rectory account for Grace Church that is held by the Diocesan Office. Since all property in The Diocese of South Dakota is owned by the Diocese under a separate corporation which is called The Chapter of Calvary Cathedral (herein after referred to as The Chapter) then all monies from the sale of such properties is also owned by The Chapter. The main officers of The Chapter are the Bishop, the Chancellor and the Treasurer of The Diocese of South Dakota. I am their duly appointed agent. I therefore can control all property and monies relating to property in this Diocese. Generally, however, that has not been the procedure for the control of such property and monies. What has happened in the past in regard to control of such monies is that the local people are asked to oversee their own property and monies that are received from such properties, either by rent or sale, according to guidelines from the diocesan office. Usually, I deal with these people only as a consultant. It is only when the local people fail to exercise their responsibility or, on occasion, when there is dire need from the diocesan office that I would ever take over in any authoritative fashion. I assume this is what happened with regard to the \$7500 that was taken from the "Madison Rectory" account to pay your salary before the UTO grant arrived. We were and are so short of funds that any unexpected expenses must be combed from any logical source available.

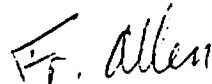
With regard to the specific monies held at the diocesan office which were received from the sale of a rectory in Madison, there are certain guidelines to be used. It has been the long standing tradition of this diocese that such monies that are received from the sale of property are used only for capital improvement of other property in the Diocese. I say other property because it is not reserved exclusively for the use of Madison. Normally, they have first call on this money for capital improvements. It has been their past history that if there are no capital improvements at Madison we have allowed them to designate how they wish to spend the interest income for any given year as long as they exercise that in a responsible manner (no trips for the wardens to Hawaii, etc.). We do ask that the bills due and payable to the diocesan office, such as pledge and insurance, be met before this interest income is spent on other things. I would point out that Madison did not do this in 1987, as there was \$300 owing on the pledge at the end of the year.

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This brings me to the final point of our discussion from the other day which didn't hit me until after you had left. I noticed that Grace Church's budget for 1988 includes the income from this account as a regular part of the income of the church. I also note from a report by J.D. Hansen of almost two years ago and discussion with you that there needs to be some money spent on the roof and gutters of Grace Church before there is any further deterioration of the building. Such an expenditure on Grace Church will be paid for, first, by the interest income out of this account and, secondly, by principle from this account, thus it should not be in your regular budget. I hope that Grace Church people will take care of this problem shortly, as time can only make the condition worse and the total dollars needed to repair the damage much greater. I really don't like to say the following, but if the damage is not controlled I am mandated by the Diocesan Council to take action where delay may cause more problems. I really don't want to do so, as I believe the local people have the best insight on what is best done.

I hope this answers some of the questions that you had for me. I can imagine that it is a trying time for the people of Grace Church as they struggle not only with their mission and ministry in the body of Christ but also the mundane matters of utility bills, repairs, etc. I'd be more than willing to come and listen and try to be of help to them. If you need me, please ask.

Yours in Christ,

A handwritten signature in cursive script that reads "Fr. Allen". The signature is written in dark ink and is positioned below the typed name.

The Reverend Canon Allen L. Lewis  
Canon to the Ordinary

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