



Report from Church Governance Committee

*THE GRAND
COLLABORATION*



Church Governance Committee

To address how the Adventist Church in North America could advance its mission through **rightsizing** our structure and adapting any policies or procedures that might facilitate this.



Think Tank

Appreciation

Appreciation

Administrators gathered at the Dulles meeting

- An overwhelming 95% of attendees indicated that they would be willing to sacrifice their position if it would help further the mission of the church.**

Committee Members

1	Kyoshin Ahn, Chair	Administrator	NAD
2	Alvin Kibble	Administrator	NAD
2	Gene Donaldson	Pastor	CUC
3	David Jamieson	Pastor	SDACC
4	Richardo Vilorio	Pastor	PUC
5	Bill Winston	Administrator	SUC
6	Richardo Graham	Administrator	PUC
7	Edwin Romero	Administrator	SWUC
8	Randy Robinson	Administrator	SUC
9	Jerry Lutz	Administrator	CUC
10	Gary Thurber	Administrator	LUC/MAUC
11	Ray Hartwell	Administrator	CUC
12	Tom Lemon	Administrator	MAUC

Committee Members

12	Astrid Thomassain	Administrator	AUC
13	Betty Bayer	Administrator	SDACC
14	Andre Wang	Layperson	NPUC
15	Rory Wold	Layperson	NPUC
16	Don Adams	Layperson	SWUC
17	Sandra Miller	Layperson	LUC
18	Riss Weaver	Layperson	SWUC
19	Albert L. Dudley	Layperson	MAUC
20	Clayton Looney	Layperson	LUC
21	Dennis Williams	Layperson	SDACC
22	Roberto Garcia	Layperson	AUC
24	Dan Day (invitee)	Consultant	NAD

Committee Members

- **3 Pastors**
- **12 Administrators**
- **10 Laypersons**



Responsibilities

1. Make recommendations, specifying ways that Administration and ministries of the church can streamline operations and eliminate duplications where unnecessary at every level.

Responsibilities

2. Explore at least three scenarios for the re-distribution of tithe for furthering the mission of the church.



Responsibilities

3. Examine the relationship between the size and complexity of our organization and achieving our mission, resulting in three recommendations based on the relationship between conferences, unions, and the division.

Three Recommendations

- 1. Streamlining Current Operation**
- 2. Moderate Change**
- 3. Radical Change**

Meetings

- **Video Conferences**
 - Numerous videoconferences since October, 2014
- **Face-to-Face meetings**
 - January, 2015
 - May, 2015
 - June, 2015

Report Distribution

Survey Process and Preliminary Conclusions

Dan Day

Why do a survey?

- **Video presenters.** After series of video conferences with individuals with expertise on various aspects of the organization's history, along with insights into organizational theory...
- **Extensive documents.** After the review of numerous documents, many concerning previous attempts to reorganize the governance of the church in order to advance mission...

Why do a survey? (cont.)

- **Face-to-face discussions**. And after a number of face-to-face meetings, where the input from this study, and all these contributors, was discussed at some length, and an attempt made to arrive at recommendations...
- **Lack of adequate information**. The NAD Governance Committee concluded that it didn't know enough about how those in the existing church structure evaluated the current system, how it is working, and what they believe might help make things better.

Key Question

- **QUESTION:** “How can we recommend changes to the existing structure (whatever they might be) until we assess how those at various levels in the organization see their mission, and how well they believe the mission is being achieved, under the existing organizational structure?” (Don’t fix what’s not broken).
- **ANSWER: Ask them.** The Committee decided to put in place a survey process for all levels in the organization. The survey would suggest some of the alternatives to the current structure that are being proposed, and request input from those doing the work, now, on what they believe would offer “best practices.”

Steps to success in survey process

- **Produce survey.** The Committee chose to begin by working with NAD Office of Strategic Planning and Assessment (OSPA) to produce a useful survey that would enable us to compare the responses from those on the various levels of the existing structure.
- **Distribute survey.** Then, the Committee—working with the OSPA—distributed the survey to local pastors and elders, Conference leaders, Union leaders, and Division leaders, for their input.

Steps to success in survey process (cont.)

- **Discuss survey.** After that, the Committee received and discussed the input from the various levels in the organization, leading to a set of approved observations and conclusions that would be informed by the survey process.
- **Report on survey.** Finally, the Committee is now reporting its findings to the leadership at the 2015 Year-end Meetings, citing the results of the survey process as part of a larger report on the possibilities for structural change in the NAD.

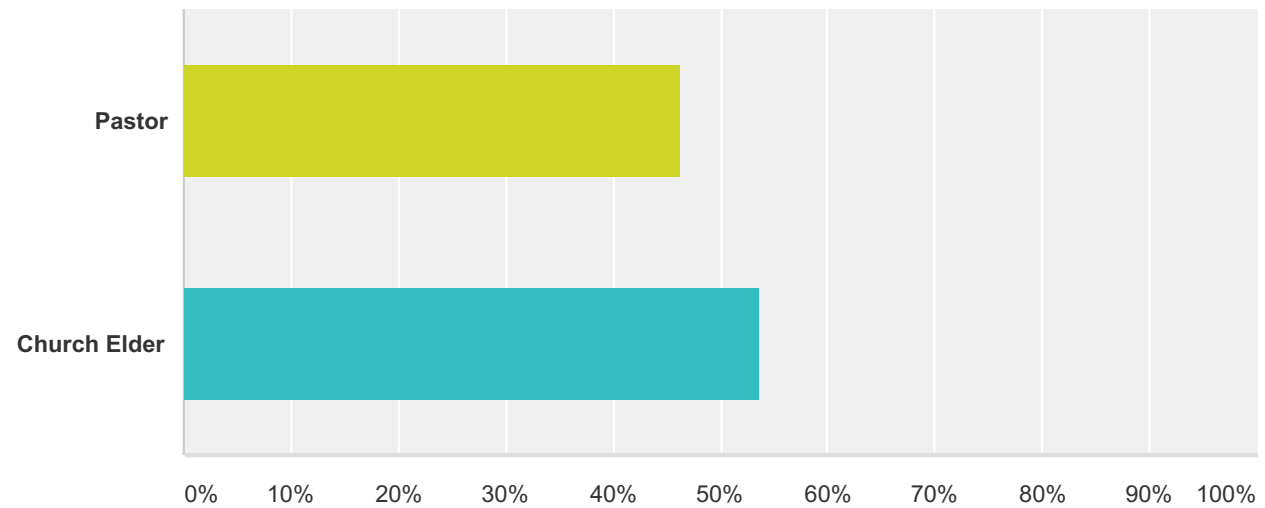
Example of survey results

(The entire survey results are available in the document:
“Advancing the Adventist Mission in North America”)

Church Governance Survey - For Pastors and Local Elders

Q1 What role do you serve? (Choose one)

Answered: 1,523 Skipped: 0



Answer Choices	Responses
Pastor	46.36% 706
Church Elder	53.64% 817

Preliminary Survey Conclusions

- **Too many governance levels.** Survey recipients told us they believe most ministry happens at the local level, but that current policies don't always support this as fully as they might, putting an inordinate amount of resources into the governance structure itself (the Committee saw that other evangelical organizations don't have all the governance levels we have).
- **Challenge of member apathy.** Survey recipients believe they understand their mission well. But they put addressing member apathy above fixing structural challenges as key to advancing mission.

Preliminary Survey Conclusions (Cont.)

- **Lack of Role Clarity.** Those at the local level (pastors and local elders) revealed that they are the least familiar with *role and function* up and down the organization (don't know who is doing what, and why), and that this ignorance poses a number of challenges.
- **Prime need: change in tithe distribution.** Local leaders affirmed that they are particularly interested in changes to tithe reimbursement policies (and policies on the use of other, non-tithe funds) to enhance mission at the local level, resulting in leaving more of the money for accomplishing local mission.

Preliminary Survey Conclusions (cont.)

- **Addressing needs in NAD.** This growing interest in changing tithe distribution takes into account both the growth of other Divisions, with their escalating ability to help fund outreach to areas outside North America, and the growing needs for resources within this Division, in order to advance mission, here.
- **Access to better resources.** The survey process showed there are quite different degrees of understanding, at various levels, over the quality and accessibility of resources (if really good resources exist, why don't we know about them?).

Preliminary Survey Conclusions_(cont.)

- **More cohesive marketing.** This suggests that a cohesive marketing effort for existing resources is required, and even more, that new and better resources are needed (and that the NAD is expected to produce, distribute, and market them).
- **Put emphasis on streamlining.** While there is interest in structural change over the long-term, the survey process told us the more immediate interest is for streamlining, so the existing structure is both more efficient and more effective at advancing mission.

Preliminary Survey Conclusions (cont.)

- **Call to address smaller entities.** There is growing concern at all levels in the organization over leadership's apparent inability to address corrective actions toward obviously declining situations (small churches with no history or promise of growth), small schools, small Conferences, small Unions—along with smaller institutions of other kinds).
- **Rightsizing for success.** This suggests that if no other changes are instituted, at the very least we should address these less promising settings, so that the more promising ones may be advanced.

Preliminary Survey Conclusions (cont.)

- **Focus on governance.** The survey process reinforced the Committee's determination to allow the other two Committees set up in this process (mission and education) to issue recommendations in their areas, rather than attempting to preempt their areas of expertise.
- **Change appeals more to younger, lay members.** A mood for significant structural change in the NAD organizational structure is growing at all levels—but it is predictably more evident among younger lay members than among established church employees.

Preliminary Survey Conclusions (cont.)

- **Do no harm.** The survey process confirmed that an emphasis on “doing no harm” must be kept in mind during any effort to change structural forms. Changes with a higher potential for bringing benefits should be implemented over more “risky” ideas.
- **Not just cost-cutting.** The survey process reaffirmed that the conversation is not just about reducing costs, but also about advancing mission—and that the one doesn’t necessarily result in the other.

Summary

- **Growing concern over mission.** While the survey process didn't reveal any startling new data, it did reaffirm the suspicion that concern over the possible inhibiting effect of the current structure on mission is felt widely in the church.
- **Support for slimmed down structure.** While the survey process, itself, didn't result in consensus on support for any specific governance change, it did confirm what many believe, that efforts to slim down the current structure would be welcomed, so long as they don't interfere with mission.

Cost-Per-Member Analysis

A Case of the SDA Church in Canada

Dennis Williams Jr., MBA

The background features a gradient from a deep blue sky at the top to a bright yellow horizon at the bottom, with faint silhouettes of mountains or hills visible along the horizon line.

Consensus & Commitments

Consensus and Commitment

1. A Commitment of Mission as delivered by the **Local Congregation**
2. A Commitment to **Flexibility** in Approaches, along with testing plausible alternatives
3. A Commitment to the **Value of Streamlining**

Consensus and Commitment

4. A Commitment to **'Rightsizing'** the Governance Structure
5. A Commitment to find ways to keep More Funding **Local**

Summary Report

Prologue and Part I (Pages 6 – 9)

Cost Analysis

Administrative and Departmental Functions

Edwin Romero

Presentation Title

The background of the slide features a dramatic sunset or sunrise sky with soft, glowing clouds. In the center, two hands are shown in a gesture of collaboration: one hand is reaching down from the upper right, and the other is reaching up from the lower left. The hands are positioned as if they are about to grasp each other. The overall color palette is dominated by the warm tones of the sky, transitioning from a deep blue at the top to a bright yellow and orange at the bottom.

**Cost Analysis Administrative
and Departmental Functions**

***THE GRAND
COLLABORATION***

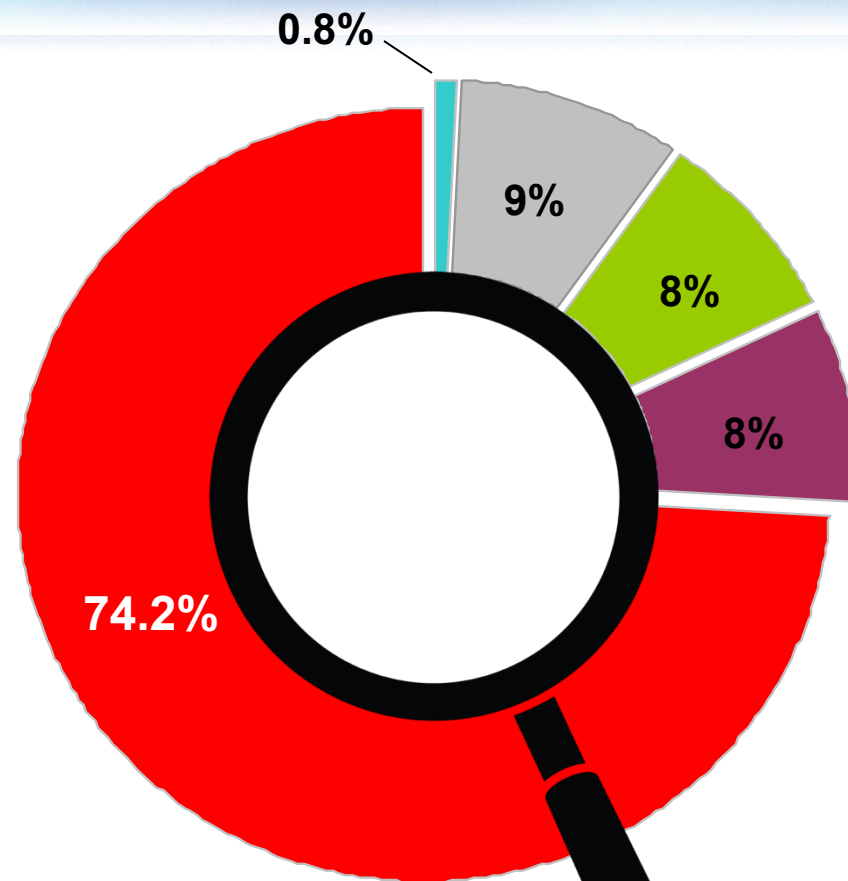
Presented by
Edwin G. Romero





9 Unions and 58 Conferences in the
North American Division



Tithe Distribution - Conferences



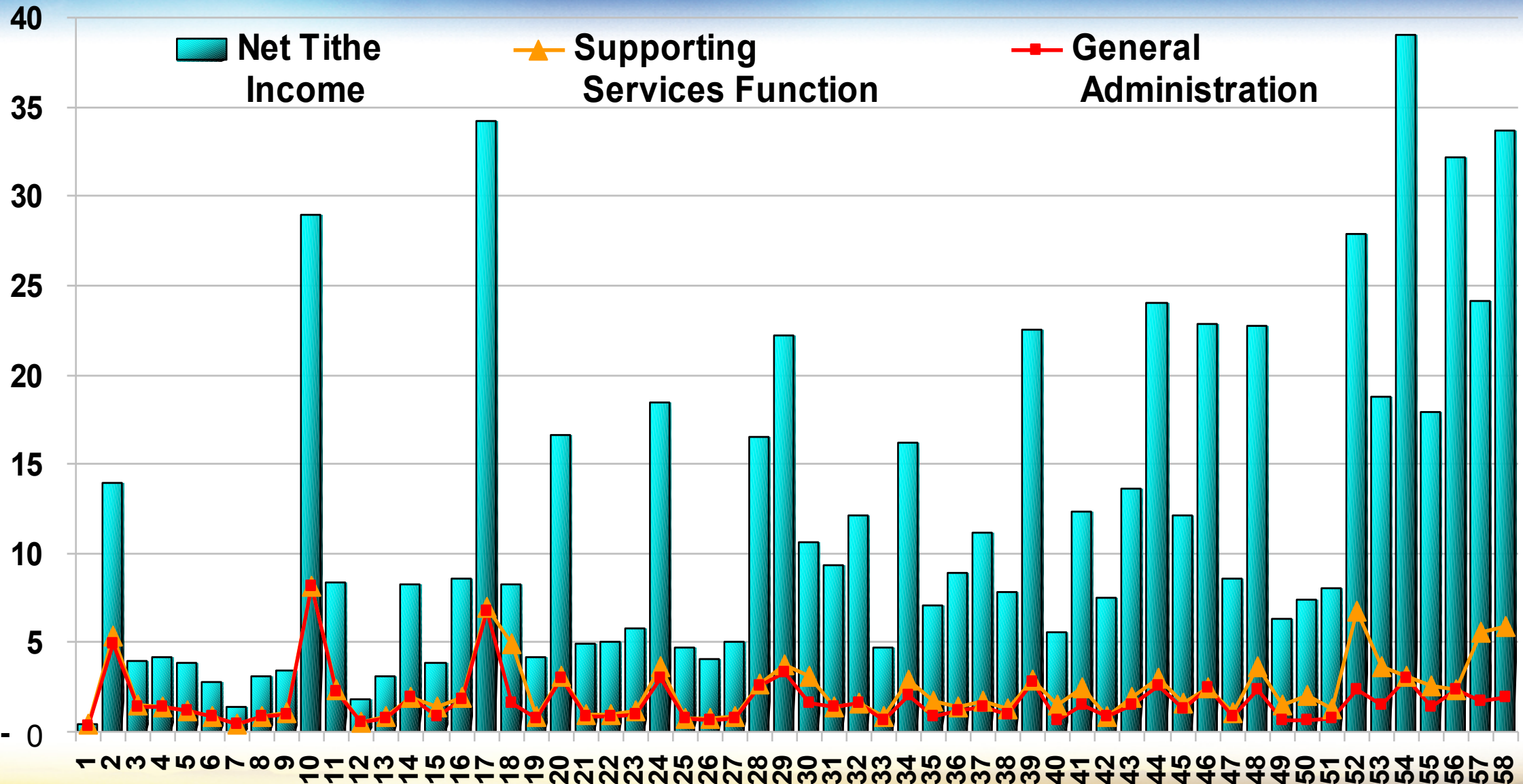
 SPECIAL ASSISTANCE
 UNION

 NAD
 GC

 CONFERENCE

Tithe Utilization-Conferences

\$MILLIONS



Variance % of Supporting Services to General Administration

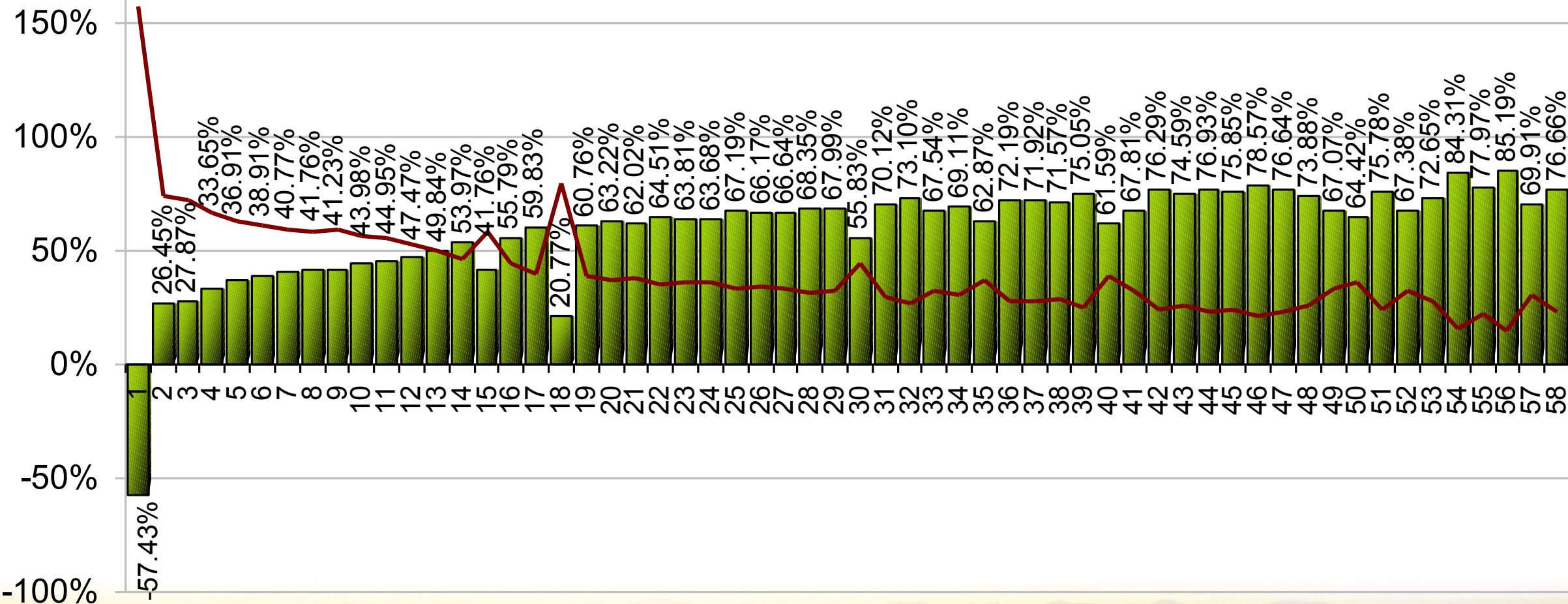


Conf	Net Title Income	Supporting Services Function	General Admin
2	\$ 13,961,120.10	\$ 5,385,013.83	\$ 4,883,646.43
		38.57%	34.98%

Financial Indicators - Conferences

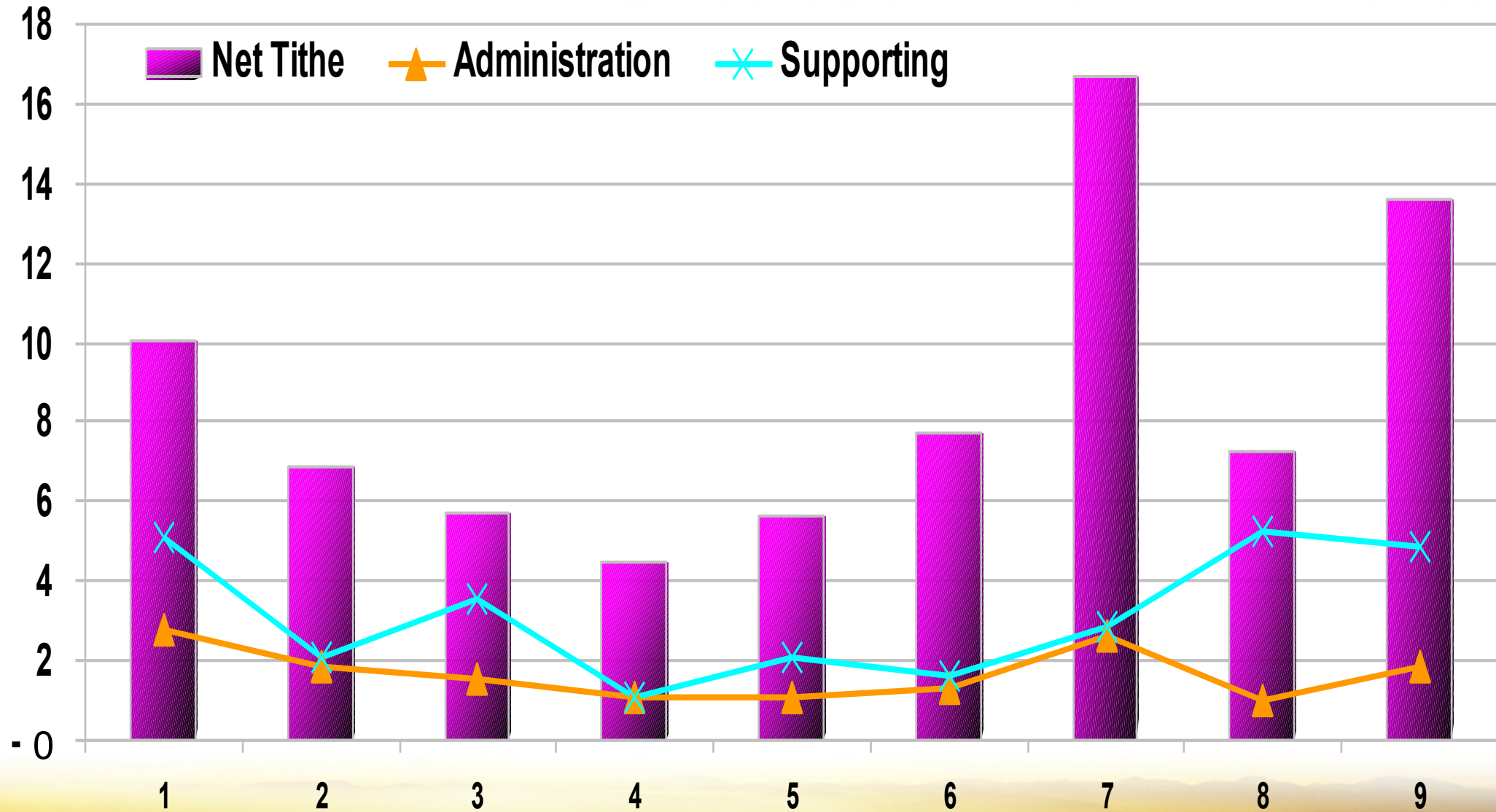
	Administration	Supporting Services
High	66.31%	91.11%
Median	15.10%	19.78%
Low	5.83%	7.43%
Average	17.64%	22.78%

Net Tithe Remainder - Conferences

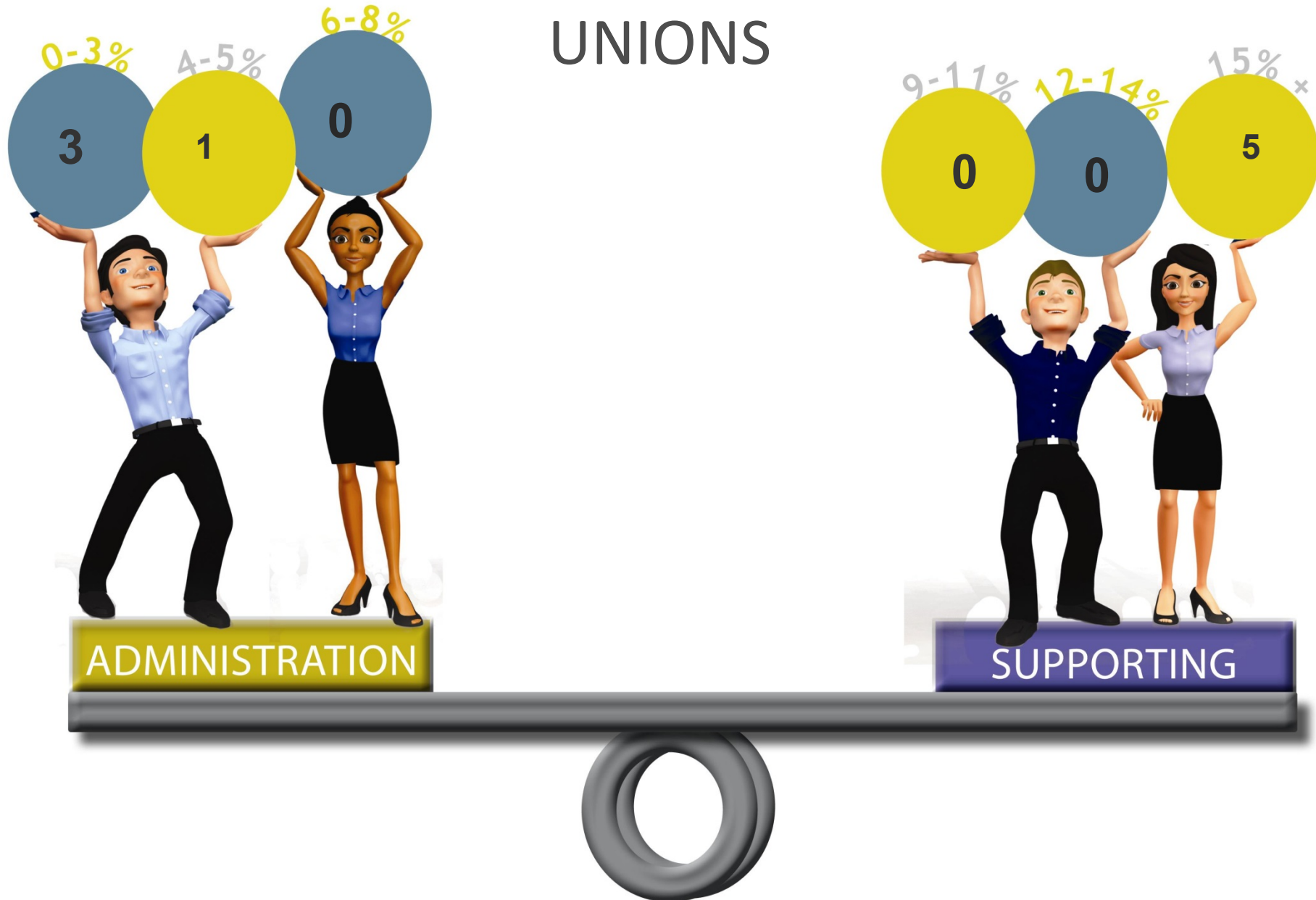


Tithe Utilization-Unions

\$MILLIONS



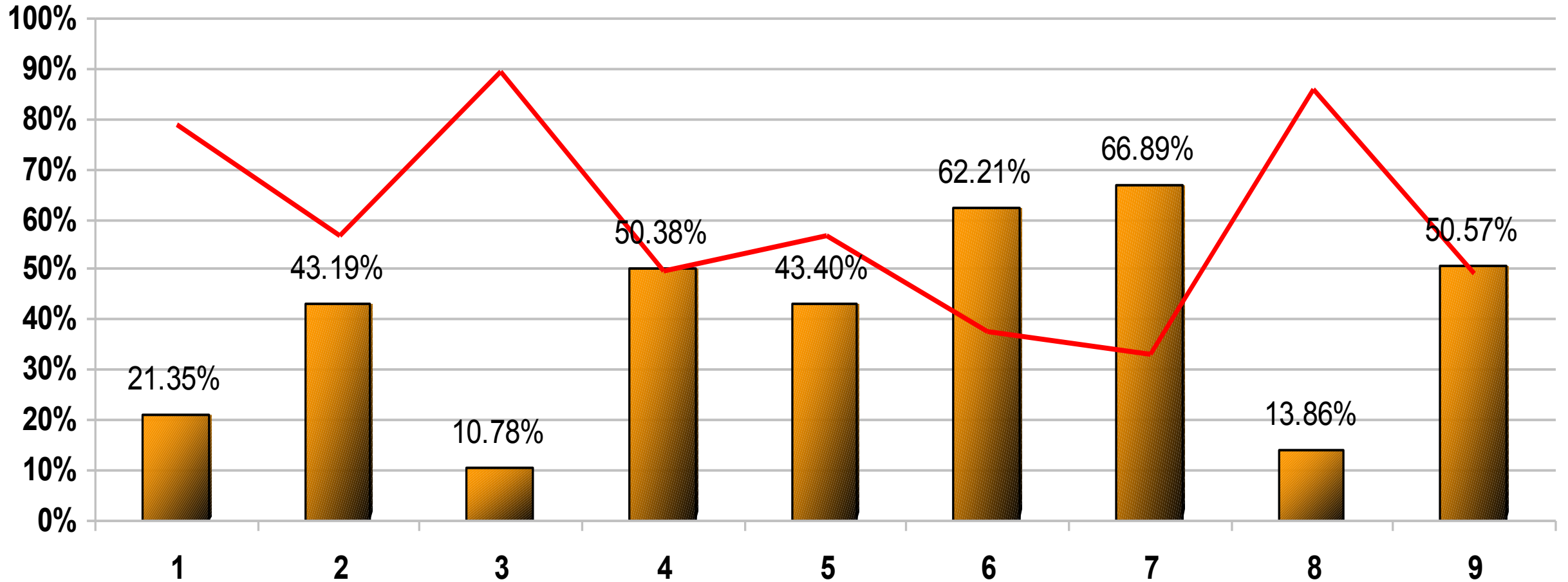
Variance % of Supporting Services to General Administration



Financial Indicators - Unions

	Administration	Supporting Services
High	28.07%	50.58%
Median	19.67%	36.93%
Low	13.59%	35.84%
Average	20.67%	39.04%

Net Tithe Remainder - Unions



END

Let's Remember

- **Constituency-based Organization**
- **An Idea to further discussion**



An Analysis of Denominational Structure Options for the SDA Church in North America

(Video Presentation)

Monte Sahlin

Summary Report

Part II (Pages 10-13)

Discussion



Motion

- **TO MOVE, that the NAD establish and a small ACTION PLAN COMMITTEE to prioritize the recommendations from Church Governance Committee for implementation according to the urgent needs in the field, and bring its report to the 2016 YEM.**