

**Governing Board Meeting Notes
28 September 2017**

Attended: Kimberly Brown, Rev. Elder Rachelle Brown, Rev. Dr. Stephanie Burns, Rev. Joe Cobb, Angel Collie, Mark Dalgleish, Rev. Jakob Hero-Shaw

Staff: Barb Crabtree, Jack Hutter

Quorum was established

Consent Agenda:

January thru August 2017 Financial Report

Barb Crabtree presented the Financial Reporting Changes for 2017, and said that financial budgeting, management, and reporting changed from a Cost Center based approach to Ministry based approach (project accounting). These adjustments led to incomplete financial reports over the last several months. The new Ministry categories are: New Ministries, Existing Ministries, New Leaders, Existing Leaders, Justice & Inclusion, Resources, and Strategy & Support. The Financial Reports presented reflect year-to-date through August 2017. The individual months are shown on the spreadsheet, and are focused on Y-T-D. Notes of interest: Assessment income is shown in the Strategic Leadership category, as is Donor Income. Some of the reason for differential in budgeted income is due to an aggressive fundraising goal set at the beginning of the year.

Total Income: Jan – Aug 2017 Actual \$885,746 Projected Full Year 2017 - \$1,242,643
Total Expenses: Jan – Aug 2017 Actual \$1,129,044 Projected Full Year 2017 \$1,688,663
Net Operating Income: Jan – Aug 2017 Actual -\$243,297 Projected Full Year 2017 -\$446,020

Most Significant Income Gaps Compared to 2017 Budget

Income Source	2017 Projected Gap as of 28 September
Assessments from US Churches	\$40,000
Major Donor Gifts	\$73,000
Funds to be raised	\$772,956

Our primary goal for development and new funding is \$446,020, needed to meet end of year income projections. As we move toward end of year financials, these are items to consider: Sale of the Sarasota property; directing end of year fund development efforts toward income gaps; 2018 budget cycle preparations.

A Motion was made by Kimberly Brown to accept the financial report as presented. The motion was seconded by Stephanie Burns

Aye: All voting members present voted aye

No: 0

Abstain: 0

Motion passes.

The Governors expressed gratitude to Barb Crabtree and Tammy Erwin for their efforts in transitioning to the new financial management system.

Barb is preparing a report on our financials, including a preface which outlines the new process, to be reviewed for distribution within the next week.

Kimberly Brown will address additional questions received in the letter from Liz Bisordi in regarding denominational financials.

Discussion Agenda:

Anniversary Sunday Offering Designation –

A motion designating the 2017 Anniversary Sunday Offering for anti-racism, racial justice, and inclusion/diversity work, was made by Kimberly Brown. The motion was seconded by Mark Dalgleish.

Aye: All voting members present voted aye.

No: 0

Abstain: 0

Motion passes.

Resignation letters –

A motion to accept the resignation letter from Sarah-Jane Ramage received on September 26/27 via email was made by Rachelle Brown. The motion was seconded by Joe Cobb.

Aye: All voting members present voted aye

No: 0

Abstain: 0

Motion Passes.

A motion to accept the resignation letter from Rev. Dr. William Knight received via email on September 27 was made by Rachelle Brown. The motion was seconded by Kimberly Brown.

Aye: All voting members present voted aye

No: 0

Abstain: 0

Motion Passes.

Letter Received from the Strategic Leadership Team to the Governing Board –

A letter was received from the SLT with the request that it be read in open session by the Governing Board. The letter came from a process of discernment and was not written in response to the recent resignations. The letter was received via email on September 27.

September 27, 2017

Dear Members of the Governing Board,

We want to thank you for your leadership of MCC during this historic time of transition in our denomination. We are grateful for the time and energy you give as volunteers to serve in your elected positions on the Governing Board.

As the Senior Leadership Team of the staff of MCC, we believe it is important for us to share with you our thoughts on the current restructuring of our offices. This restructuring has direct impact on our work and our ability to carry out programs and projects that support the core values of MCC and serve our leaders and local churches.

The work of the SLT and configuration of our offices has been fluid and evolving since the denominational restructure of 2010, which did away with our regional system. At that time there was a staff reorganization that retained three existing ‘offices’: OFLD, Development and Operations. Three new offices were created directed by four previous Regional Elders: OCLH (Ken Martin and Lillie Brock), Outreach (Diane Fisher), Church Emergence (Darlene Garner). There was also a plan to add an office of Communications with a director to the SLT. This part of the plan would have been an expansion and was not implemented due to financial limitations.

At the end of 2011 the offices and staff were reorganized again because of finances. The Directors of Development and Outreach were let go and the work of the office of Outreach was shifted to Church Emergence, renamed Emerging Ministries, and Development moved to the Moderator’s Office. During this time the Judiciary Process was transferred from OEM to the

OFLD. Rev. Héctor Gutiérrez was also added to the SLT, from the Office of Emerging Ministries as Associate Director for IberoAmerican Churches and Ministries.

In the last few years, the work of the offices has been shifting to bring all networks under the direction of the Office of Church Life and Health, including those networks that had been supported by the Office of Emerging Ministries. Local Church Bylaw revisions also were shifted out of OEM into OCLH. And initial conversations were started between OEM and OFLD to shift the authorization of Emerging Church leaders and Lay Pastors to OFLD. Communications was moved out of the Operations office into the Moderator's office with the designation of an Associate Director who would also become part of the SLT.

After the slate of candidates for Moderator was announced the SLT had a conversation about how our work and offices might change if either candidate was elected as Moderator. During that face-to-face meeting Rev. Garner indicated that if she were elected she would not recommend hiring another Director of OEM but instead to combine the work and staff of the OEM with OCLH. So this most recent restructuring was really something the SLT had already discussed.

On our last call, SLT members shared feelings of appreciation for the work of OEM and also feelings of sadness and disappointment because of tensions we have felt in our team that have impacted our ability to be as collaborative as we had been before. We believe this latest restructuring which has created the Office of Church and Ministry Development is part of the ongoing evolution of the SLT and will allow us to work more effectively and collaboratively. We also identified a sense of liberation and freedom for each office to be more independently engaged in the work of diversity and inclusion from a global perspective.

Our past as an SLT has taught us that any restructuring that involves the shifting of a senior staff role can be stressful on an organization. We know the Governing Board has received letters from a variety of people with varying opinions about the most recent restructuring of the staff and offices. The SLT has been copied on some of those letters.

We want you to know that as the Senior Leadership staff body of this organization we are unified and committed to our work in this new structure and we support this restructure. We were encouraged at the beginning of this time of transition that the Governing Board and Senior Leadership Team would be working more closely together toward the development and funding of projects and programs that support our common commitment to MCC's Core Values, leaders and churches.

We need your unified leadership now more than ever and we need you as partners in this work.

With respect and gratitude,

Linda Brenner Beckstead, Associate Director for Communications, Office of the Moderator

Barb Crabtree, Director, Office of Operations

Rev. Elder Tony Freeman, Director, Office of Church and Ministry Development

Rev. Elder Héctor Gutiérrez, Associate Director for Iberoamerican Churches and Ministries,
OCMD

Rev. Elder Mona West, Director, Office of Formation and Leadership Development

The Governors expressed gratitude for the letter and moved into a discussion on reviewing and releasing the Staff Restructuring FAQs, along with a letter from the SLT giving some historical context.

A final draft will be created through the Office of Communications and sent to Governors for final review before distribution.

Rachelle has scheduled Steve Lawler, an outside consultant who met with the Governing Board and Senior Leadership Team in St. Louis, to meet with the Governing Board on Thursday, 5 October. The discussion will be on The Three Key Stages in a Nonprofit Board's Life Cycle.

Rachelle is also working on a possible joint meeting (possibly in a retreat setting) on February 23-25 with an outside consultant.

The meeting closed with prayer led by Joe.

Meeting adjourned at 6:45 pm (EST).

Respectfully submitted,

Reverend Joe Cobb, Clerk