

Update from the Governance Task Force

August 2017

Governance Task Force Mandate:

In February of 2016, the Presbyterian Mission Agency Board created the Governance Task Force:

“to complete a comprehensive review of the Presbyterian Mission Agency Board (PMAB) governance model and bring final recommendations to the Board’s September 2017 meeting, for submission to the 223rd General Assembly (2018), regarding:

1. the size of the Board
2. the composition of the Board, including the process for selection,
3. the length of service of Board members, including the ability to serve consecutive terms,
4. the roles and responsibilities of Board members,
5. the committee structure of the Board,
6. the relationship of the Board to and with PC(USA) Agencies, Advisory Committees, Advocacy Committees and other committees and organizations affiliated with PMA, and
7. best practices for peer groups, including governance models, board and committee structures.”

Methodology

In conducting its work over the past eighteen months, the Task Force has held ten telephonic or in-person meetings, as well as eleven working sessions. In addition, members of the Task Force have engaged in dozens of conversations with the leaders of the Way Forward Commission, All Agency Review, the other PC(USA) agencies, the advisory and advocacy committees, and other committees and organizations affiliated with the Presbyterian Mission Agency (PMA).

Proposal Overview

Our driving purpose is to advance PMA’s ministry and mission, indeed the ministry and mission of the whole church, and to ensure that it is more effective and efficient, focused on being the body of Christ in the world. The directional goals of the Mission Work Plan help lead us toward that outcome:

- Evangelism and Discipleship
- Servant Leader Formation
- Justice and Reconciliation

All that we have done is to this end. We have sought to be responsive to PMA Review Committee findings and continue to invite input from across the church for our work.

1. Size of Board

Our research suggests that the current Board size (40 voting members + 15 corresponding members + 2 Ecumenical Advisory Members + 4 at-large committee members) is too large for effective collective

discernment and governance. The current differentiation of membership categories creates confusion for participants regarding who has a vote and builds a hierarchical system that challenges the equality of members. This is often seen when the Executive Committee needs to convene for decision-making between full Board meetings. The large size also creates the impression that individual choices do not matter — that someone else on the Board will pick up the task or will represent diversity.

Best practices indicate that a smaller Board will produce a more engaged process of discernment and oversight. Based on the proposed committee structure and other considerations, the Governance Task Force recommends that the Board be set at 16 voting members. The Task Force researched the current Board’s makeup to ensure that our level of diversity would be maintained if we allowed for normal attrition and found, in fact, that diversity would actually increase.

2017 – 2018 Presbyterian Mission Agency Board Voting Members

Race			Gender		Ordination			Disability			Age			
Asian	6	15%	Female	18	46%	Ruling Elder	20	51%	Yes	1	3%	Under 25	2	5%
Black	7	18%	Male	21	54%	Teaching Elder	19	49%	No	38	97%	26-35	3	8%
Hispanic	3	8%										36-45	9	23%
Native American	2	5%										46-55	6	15%
White	21	54%										56-65	14	36%
												66-75	2	5%
												Over 76	1	3%
												???	2	5%
TOTAL	39	100%		39	100%		39	100%		39	100%		39	100%

Presbyterian Mission Agency Board Voting Members (Class of 2020 and 2022 only)

Race			Gender		Ordination			Disability			Age			
Asian	3	12%	Female	12	48%	Ruling Elder	12	48%	Yes	1	4%	Under 25	1	4%
Black	6	24%	Male	13	52%	Teaching Elder	13	52%	No	24	96%	26-35	3	12%
Hispanic	3	12%										36-45	7	28%
Native American	1	4%										46-55	5	20%
White	12	48%										56-65	7	28%
												66-75	1	4%
												Over 76	1	4%
												???	0	0%
TOTAL	25	100%		25	100%		25	100%		25	100%		25	100%

Presbyterian Mission Agency Board Voting Members (Class of 2022 only)

Race			Gender		Ordination			Disability			Age			
Asian	2	17%	Female	4	33%	Ruling Elder	7	58%	Yes	0	0%	Under 25	0	0%
Black	4	33%	Male	8	67%	Teaching Elder	5	42%	No	12	100%	26-35	1	8%
Hispanic	2	17%										36-45	3	25%
Native American	0	0%										46-55	2	17%
White	4	33%										56-65	5	42%
												66-75	1	8%
TOTAL	12	100%		12	100%		12	100%		12	100%		12	100%

2. Composition of Board (including process for selection)

The current model for acquiring Board members relies first on nominations based on geography and membership in groups within the church and is not concerned with diversity of qualifications. This restricts the General Assembly Nominating Committee, and a few members are added as at-large

committee members, without concern for diversity, in order to gain the needed skills. The Governance Task Force believes that there is no justification for the belief that professional expertise cannot be found within the full diversity of the church. In our proposal, professional expertise is the primary qualifier for Board service. The General Assembly Nominating Committee will ensure demographic, racial-ethnic, and age diversity, as well as church size and ordination parity, without the need for additional demographic requirements.

In advance of each General Assembly, members of the Nominating and Personnel Committee will work with the GA Nominating Committee to identify the necessary professional skills and to ensure diversity.

3. Length of Service (and multiple terms)

Currently Board members are elected to serve one nonrenewable six-year term. Our research shows that in today's mobile society, individuals often have difficulty making a six-year commitment to a Board. At each GA, multiple members have been elected to fill unexpired terms. At the same time, it does take a few years of experience for new members to learn the scope of the ministries of the Presbyterian Mission Agency.

Our proposal calls for members to be elected to a four-year term, with the opportunity of election for one additional four-year term. We believe this will help address the needs of a mobile society, while also allowing individuals to develop long-term expertise with the work of the Mission Agency.

4. Roles and Responsibilities of Board Members

Currently, the roles and responsibilities of Board members are delineated in at least three sections of the Manual of Operations and the Organization for Mission. Our proposal calls for distilling Board members' responsibilities into one accessible section. We intend to maintain our priority for mission and ministry, while ensuring that issues of corporate compliance are observed to further the work of the Mission Agency.

5. Committee Structure

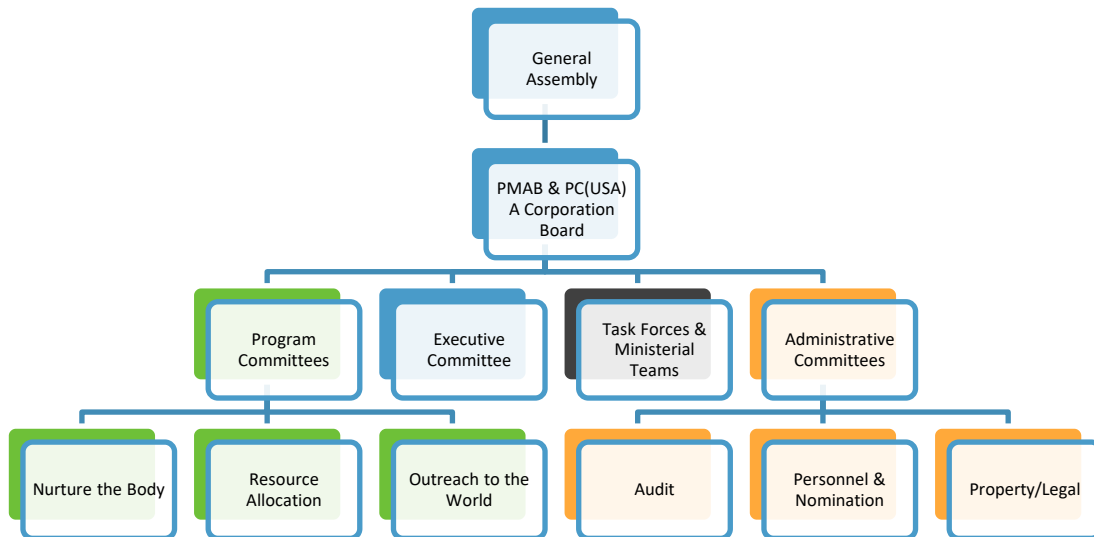
Currently the Board has a committee structure that includes five administrative committees (Executive, Audit, Personnel and Nominating, Mission Impact, and Finance) and a number of ad hoc ministerial teams. Each member is to serve on both an administrative committee and a ministerial team/task force. This model creates a false division in the Board between issues of ministry and administration.

Our proposal calls for three primary areas of service:

- 1) Administrative committees
 - a. Audit — assesses the effectiveness of internal controls and work with the external auditors
 - b. Personnel and Nomination — works with Human Resources on personnel policies and issues, and leads the internal nomination process for the Board
 - c. Property/Legal — ensures appropriate review and resolution for property, legal, and risk management issues

- 2) Program committees
 - a. Nurture the Body — reviews agency work focused on the needs of congregations and mid councils
 - b. Outreach to the World — reviews agency work focused outside the congregational context
 - c. Resource Allocation — maintains effective stewardship of resources entrusted to the agency
- 3) Temporary ministerial strategy task forces – address emerging topics from time to time.

All members will serve on an administrative committee and on a program committee. Some members may be chosen for short-term assignments on task forces. An Executive Committee, composed of the officers and the chairs of each committee, will provide coordination for the work of the Board and will oversee the work of the Executive Director.



6. Relationship of the Board to and with PC(USA) Agencies, Advisory Committees, Advocacy Committees, and Other Committees and Organizations Affiliated with PMA

Currently the Board maintains these relationships through a combination of receiving corresponding members and sending members to serve on other bodies in a variety of capacities. These two categories will be addressed separately: Corresponding Members and Deployments.

- Corresponding Members — The Board currently has fifteen corresponding members: two from each of the other agencies (chair and executive), one each from the three advocacy and advisory committees, one rotating seat from the Committee on Theological Education, and our own Executive Director. The current model has not been effective at ensuring a relationship between

the other entities and the Board. It has not facilitated communication to and with the full Board. In addition, several of the corresponding members have not made Board meeting attendance a priority.

Our proposal calls for reducing the number of corresponding members to ten: one from each of the other five GA agencies, one from the three advocacy and advisory committees, the GA Moderator (currently a voting member), and our own Executive Director.

- Deployments — Currently the Board seeks to engage with other organizations through a practice of sending its own members to serve on their boards. Each year, a large number of Board members are asked to serve in the capacity, but it has remained a serious challenge to fill all the spots. (See Attachment 1 for a visual representation of the deployment load of current members.) Many of the other organizations depend upon our Board members to complete their Board membership. In addition, when our members go to serve other organizations, a conflict of interest can be created. The church’s principles of “full expression to the rich diversity of the church’s membership” (G-3.0103) are threatened when opportunities for churchwide service are limited to those who are already serving on another General Assembly entity.

Our proposal calls for a limited number of deployments — basically only those directly mandated by the General Assembly through the Organization for Mission to facilitate collaboration with other General Assembly agencies and integrated auxiliaries (for example, Presbyterian Women). By taking this action formally, we hope to provide time for the General Assembly Nominating Committee to fill empty slots on other boards, formerly filled by the Mission Agency.

The Board would continue to send members to groups whose only access to the General Assembly is through the Presbyterian Mission Agency Board, such as Mission Responsibility Through Investment.

Relationships with these organizations remain an important focus for the Board. We would envision their representatives being in full dialogue with the appropriate program committee, as an avenue of sharing information and concerns. Because of their unique corporate relationship as an integrated auxiliary, we are not proposing any changes to the relationship with Presbyterian Women.

- Ecumenical Advisory and Committee At-Large Members —

Currently, the Board has two ecumenical advisory members (with voice in plenary and voice/vote in committee), two at-large Finance Committee members (with voice/vote in committee, and voice in plenary on financial matters), and two at-large Audit Committee members (with voice/vote in committee and voice in plenary on matters relating to the audit function). The members serve a two-year term, and may be reelected for two additional two-year terms.

Our proposal is to allow the current members serving in these roles to finish their terms and any remaining future eligibility, but then not to continue with these forms of membership in the new governance structure.

Ecumenical collaboration would be achieved through the new committee structure with input from staff who are familiar with these other bodies, and members' own experience of ecumenical collaboration in their settings.

Committee at-large members have brought needed professional experience to the work of the Board, but in the new model, the primary qualifier for Board service would be professional expertise. Therefore, these positions will not be needed.

7. Best Practices

- Accessible Information — In our current structure, committees often have access to information that is not available to all members of the Board. This has been particularly true for members of the Audit and Executive Committees. Since a principle of members' fiduciary responsibility is equal access to information (every Board member should have the same information), this practice is not currently a *best* practice. The risk is that decision-making occurs based on incomplete information.

We propose a mandate that any information given in any type of closed session of a committee would be available to any other voting Board member in a closed session, unless the discussion is about Board members. This mandate would emphasize the need for all privileged and Confidential Information (attorney-client information) to be made available to Board members. We reject the assertion that the Board is incapable of fulfilling its responsibility to keep legal, property, and personnel matters confidential. We want the Board to guard against the temptation to keep secrets from one another; and thus immediately change a culture where some are in the know and others are not. Also, we are proposing a policy change that would allow any voting Board member to attend any closed session of a committee. The Task Force wants to underscore that committee chairs and committees derive their authority from, and are accountable to, the full Board.

- Meeting Schedule — Currently the Board meets five times in each two-year General Assembly cycle. During that two-year cycle, the Executive Committee meets for a retreat and goes to General Assembly to help promote the work of the Agency. The Executive Committee meets by conference call every other month, and some committees have a quarterly conference call. Board meeting evaluations have included a consistent theme suggesting that more frequent meetings are needed. In absence of additional meetings, often the Executive Committee is called upon to act as the full Board.

Our proposal is that quarterly meetings are the right level of oversight between the Board and the Agency. We acknowledge that more meetings may be difficult for some members, but would hope that some of the additional meetings might be held through electronic means. If the Board is to develop into an effective community of discernment, it will require us to spend more time in conversation with one another. A smaller Board would make this possible, including the possibility of replacing the Executive Committee retreat with a full Board retreat and sending the full Board, rather than just the Executive Committee, to General Assembly.

- Officers

- *Chair-Elect* — Currently at the first meeting in a GA year, the Board elects a chair and a vice-chair. These individuals take office immediately following the General Assembly and serve until the conclusion of the next General Assembly. Best practices suggest that a better method of succession planning is to elect both a chair and a chair-elect. The chair-elect would serve two years as vice-chair, then two years as chair. Subsequent elections would be only for the position of chair-elect. We believe this would provide continuity and make for better transitions between leaders.
- *Executive Committee* — We envision an Executive Committee that is composed of the chairs of each of the Board’s committees and the Board chair. (We assume that the chair-elect would also serve as one of the Board’s committee chairs.) Therefore, our recommended Executive Committee size is seven members.
- *Nomination of committee leaders* — The Board has had several discussions in recent years regarding the election of committee leaders. In one former model, each committee elected its own chair and vice-chair. In another model, the Personnel and Nominating Committee nominated committee chairs, and the board elected them. There are advantages to each model; but it is our consensus that in the context of a smaller Board, a commitment to diversity among its leadership is a major priority. To help ensure that, we are proposing that the Personnel and Nomination Committee nominate committee chairs for election by each committee. Other options make it much more difficult to have a diverse Executive Committee, without having to bring in at-large members to account for the individual election practices of committees, increasing the size of the Executive Committee to over half of the Board’s size.
- Staff Structure — In the current model, a high-level overview of the staffing structure is included as an appendix to the Manual of Operations. This is not a best practice of organizational design; instead, we propose that the Executive Director, as part of the biennial budget proposal process, bring a staffing rationale and structure for review and approval by the Board.
- Staff Confirmations — Currently candidates for Deputy Executive Director staff positions must be confirmed by the Board. Our proposal is that this process be extended to include staff positions that have key fiduciary responsibilities with the Board: Chief Financial Officer and General Counsel. Because these positions have Board-related responsibilities across the organization, we believe that the Board should be involved in decisions regarding their employment.
- Reorganization of the Manual of Operations — The final proposal of the Governance Task Force is a reorganization of the Manual of Operations to make it more usable and more deliberate as to whom and what the policies affect. We have viewed the manual with the question in mind of whether they help advance the mission and ministry of the Presbyterian Mission Agency. We believe that a reorganization of the Manual would help make it more accessible and therefore more relevant to the life of the Agency. After an introductory section, there would be sections based on Board operations, staff operations, relationships with other entities/organizations, and policies and procedures for submitting changes to the Manual of Operations. Best practices

dictate that policies be readily available, and it is our hope that this would help accomplish that goal.

Attachment 1

Carrying the Load Where PMAB Members are Serving

