

PRESBYTERIAN MISSION AGENCY BOARD

April 27-29, 2016

BOARD OF PENSIONS

**ITEM P. 202
FOR INFORMATION**

From: Rev. Frank Clark Spencer, President of The Board of Pensions of the Presbyterian Church (U.S.A.)

To: All members of the Board of Directors of the Presbyterian Mission Agency

Date: April 19th, 2017

RE: Proposed PMAB comment on Recommendation 1 of the “Report of the Committee to Review the Presbyterian Mission Agency” P.104

As a corresponding member of this Board, I feel it is my obligation to respond to the proposed comment on the agency review developed by the drafting committee. The original draft was distributed April 4th and both the Board of Pensions and The Presbyterian Publishing Company submitted written objections to the draft response. Before voting on this matter, we believe the entire PMA Board should understand the opposition of its sister agencies to this proposal.

We at the Board of Pensions deeply object to the response to the Review Committee Recommendation #1 offered in the draft distributed April 4th and again in the proposed version Item H.109. In stark contrast to the response as proposed, we fully support the work of the Review Committee and strongly urge adoption of its recommendations.

We and the Foundation were reviewed only two years ago. The review of BoP found nothing lacking and in fact stated that the Committee had no recommendations for improvement. They provided only commendations and several comments that they did not feel rose to the level of recommendations. One of those was that BoP should re-establish representation with the PMA Board, and so I have. Our review commended our ongoing collaboration with other agencies as strength.

Generations ago, a bright line was drawn between the ecclesiastical functions and financial/fiduciary functions of our communion. It is for that reason particularly, we as PC(USA) enjoy the most financially secure benefits plan in the church world. That bright line notwithstanding, we continue to work together where possible and efficient. In fact, collaboration among the agencies is at an all time high. Here are a few examples.

- BoP provides IT infrastructure for PHS.
- PHS provides storage and care of BoP records.
- The Foundation and PILP have brought forward renewing creation loans.
- The Foundation and BoP have undertaken joint fund raising with the Foundation as lead agency.
- BoP and the Foundation have collaborated to win \$2 million in Lilly Endowment grants.
- Publishing and PMA have created a single on-line retail portal.
- BoP and the Foundation provided PMA with additional resources to strengthen MRTI.
- OGA and BoP are in talks to combine certain national meetings for efficiency.
- The BoP communications team has developed the six agency summary for GA 222.
- All the agencies have worked together on our Joint Response on Environmental Stewardship.

Further collaboration in some areas is possible. However, an all agency review as proposed in the

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response will only delay the needed work of re-evaluating the PMA finances, governance and structure and how these relate to OGA in particular. It ignores the urgency felt by the Review Committee.

We believe the effort should be focused at this time where the issues have already been identified. The Review Committee defined numerous challenges and concerns within PMA:

- “lack of clarity,”
- “it would be helpful to them to reconfigure and envision the structure,”
- “there is a direct relationship between systemic organizational culture and these incidents,”
- “Low morale and often unbearable anxiety,”
- “Cumbersome and unresponsive hierarchy,”
- “Inconsistent leadership training and skills,”
- “the current culture of anxiety, fear, distrust, and conflict avoidance,”
- “significant lack of trust and silo behavior across all departments,”
- “it is very difficult for a donor to the Presbyterian Church (U.S.A.) to fully understand what portion of their donation is allocated to administrative costs.”

The Committee’s concerns on the issues of trust, leadership, transparency, financial efficiency, and legal disputes have not emanated from the six agency structure, but rather from inside PMA itself.

We talk about “six agencies,” and yet, only five legal entities exist. I personally support the concept of reuniting the departments we call OGA and PMA under the single legal entity, PC(USA), A Corporation. It should be governed by a single board. Only in this way can the denomination actually set priorities for the whole communion and escape the damaging cycles of budgetary decline. I believe this is the urgent problem:

- One legal entity,
- One financial statement,
- Two boards,
- Two budgets,
- Multiple leaders,
- Too few solutions implemented – The Committee notes that there exists the “Responsibility for accomplishing significant work without the authority to make and implement decisions.”

The Committee identifies that a “lack of transparency often contributes to a sense that there is a corresponding lack of self-understanding.” Further obscuring the actual problems by diverting energy into a six agency review will only confuse our constituencies and further undermine our common ability to serve congregations as we collectively work to follow faithfully our Lord Jesus Christ.

The response as drafted has no good outcome. Should the response be submitted as drafted and endorsed by the General Assembly, it will be over the explicit objection of PMA’s sister agencies, thus creating even higher barriers to cooperation. Should the response be submitted as drafted and be overturned upholding the Review Committee recommendation, it will cast PMA as recalcitrant and unwilling to face the issues that the Review Committee identified.

Therefore, we must object to the response as proposed and we strongly encourage PMA to embrace the work of the Review Committee and recommendation #1 in full. This is the faithful and courageous choice.