

Report of the Executive for Administration



Evangelical Lutheran Church in America
God's work. Our hands.

The *Constitution, Bylaws, and Continuing Resolutions* of the ELCA (15.12.A10.) describes the responsibilities of the executive for administration in the following way:

The executive for administration shall be accountable to the presiding bishop and shall serve as chief administrator of the churchwide organization. The executive for administration shall be elected by the Church Council upon nomination of the presiding bishop and shall serve coterminous with the term of the presiding bishop. At the direction of the presiding bishop, the executive for administration shall:

- a. supervise the day-to-day functioning of the churchwide organization and coordinate the work of churchwide units;*
- b. coordinate the strategic planning and day-to-day staff activities within the Office of the Presiding Bishop and the functioning of the administrative team;*
- c. facilitate the interdependent functioning of churchwide units in the fulfillment of the responsibilities assigned to them;*
- d. develop the budget for the churchwide organization and report to the Church Council and the Churchwide Assembly through the Budget and Finance Committee of the Church Council with regard to the preparation of the budget; and*
- e. provide staff services and documentation to the Planning and Evaluation Committee and the Board Development Committee of the Church Council.*

The following report provides a summary of the work of the churchwide organization during the 2009–2011 biennium in the areas of strategic planning, budgeting, and general operations. This report reflects major efforts in the redesign of the churchwide organization and a realignment of programs and resources. For a more detailed summary of the ministry carried out by the churchwide units during the past biennium, please review the individual unit reports provided in this section of the *Pre-Assembly Report*.

Strategic Planning: Redesign of the Churchwide Organization

The reality of decreased financial resources provided the urgency for a redesigned organizational structure. However, a vision for mission drove the design. Efforts to realign the churchwide structure to become sustainable for now and into the future were guided by the ELCA Constitution, the Plan for Mission, and strategic priorities. The two strategic priorities that framed the direction for the new design are the following:

The churchwide organization, working collaboratively with congregations, synods, agencies and institutions, and other partners, will give priority to:

- 1. accompanying congregations as growing centers for evangelical mission; and*
- 2. building capacity for evangelical witness and service in the world to alleviate poverty and to work for justice and peace.*

It is clear to everyone that the whole ELCA ecology is experiencing financial resource challenges. Congregations, synods, and institutions and agencies are facing difficult decisions related to their ability to support their mission. Given this broader reality and the ELCA's interdependent relationships among the members of its ecology, the reorganization process needed to engage partners and provide for consultation with the Church Council, the Conference of Bishops, and the Living Into the Future Together: Renewing the Ecology of the ELCA (LIFT) task force.

The Process

In June 2010, the Office of the Presiding Bishop appointed a design team and outlined a process to restructure the churchwide organization. The design team included the treasurer, the executive for research and evaluation, the executive for human resources, the executive director for multicultural ministries, the executive for information technology, the executive for administration, and the presiding bishop. As needed, the team included the budget director, secretary, and the executive for communication services. Two organizational consultants advised the design team: Michael Hansen of Hansen and Associates, Potomac, Maryland; and John Andrews, executive vice president, D. Hilton Associates, The Woodlands, Texas. Consultants in communications and development also provided input.

The design team consulted with the Cabinet of Executives, the Church Council's Executive Committee, the Executive Committee of the Conference of Bishops, the liaison bishops to the Church Council, and the planning team of the LIFT task force as it began its work. The process was reviewed and updated with the full Church Council at its August 4, 2010, meeting. The Church Council's Planning and Evaluation Committee served as consultants in this process.

The stated objectives of the redesign process were to:

1. Align priorities and general operations with available resources.
2. Position the organization for the future, especially the next three to five years.
3. Create a lean, nimble, focused churchwide organization.
4. Identify areas for strategic reduction and disengagement.

The following guidelines and criteria were used in the reorganization of the churchwide office. The new design should:

1. Maximize implementation of the two strategic priorities of the churchwide organization.
2. Position the churchwide organization for the future.
3. Take into account the impact on significant churchwide partners.
4. Not turn the churchwide organization in on itself to be only self-serving.
5. Seek the right proportionality among strategic functions of the churchwide organization's infrastructure (including technology, communication, and development services) and its program and other services.
6. Maintain a commitment to being an inclusive churchwide organization.

The new design is committed to reflect the core values as described in the ELCA Constitution and the Plan for Mission including:

1. Commitment to the Confession of Faith and this church's Statement of Purpose;
2. Interdependence;
3. Servant leadership;
4. Effective stewardship of resources;
5. Inclusive representation in assemblies, councils, boards, and committees;
6. Ongoing review of functions; and
7. Nurturing of unity.

During the design process, the team and partners asked the following questions:

1. What will create a sustainable (renewing), nimble, focused organization?
2. What will positively impact the sustainability of the whole ecology?
3. What will positively impact giving and resource development?
4. What will reflect the core values as presented in the ELCA constitution and the "Commitments for Implementation" of the Plan for Mission?

The design team took full advantage of the work of the LIFT task force. In 2009, the LIFT task force was authorized by the Church Council, following consultation with the Conference of

Bishops to study the "ecology" of the ELCA and make recommendations that "will position this church for the future and explore new possibilities for participating in God's mission." These recommendations will be presented to this Churchwide Assembly. In support of the work of the task force, extensive studies were conducted with congregations, synods, and the churchwide organization. These studies, including surveys of lay and clergy leaders in addition to the participants at a majority of 2010 synod assemblies, were foundational to the deliberations of the design team. The design team also consulted with the LIFT planning team by conference call and held one face-to-face meeting.

The design team also encouraged synod bishops to meet regionally and to share their thoughts and ideas. The bishops were asked to respond to the following questions. Seven of the nine regions responded.

1. What are the core functions for synods and the churchwide organization?
2. How can a sustainable structure for mission priorities be created?
3. What work can be the object of strategical disengagement?
4. How do partners stay committed to one another?
5. What are the norms for proportionate sharing in collective budgeting?
6. What are the implications of targeted appeals (for example, ELCA World Hunger, Disaster Response, or synod campaigns) on the whole financial picture?

The design team consulted three times by conference call with the Executive Committee of the Church Council and twice with a working group of the Planning and Evaluation Committee. The design team provided opportunities for the executive directors and churchwide staff to share their thoughts and ideas. Responses were received from each of the executive directors of program units and from 75 individual staff members. The design team conducted a detailed analysis of the churchwide organization's job descriptions and its grants to partners in ministry.

The New Design and Its Rationale

Faithfully engaging God's mission through this church is dependent upon strong interdependent relationships between congregations, synods, the churchwide organization, and the agencies and institutions of this church. These interdependent relationships will extend the mission capacity of this church, promote accountability, and provide for the best stewardship of the resources of this church. It is a priority of the churchwide organization to help build these interdependent relationships.

Congregational and Synodical Mission

The design of the Congregational and Synodical Mission unit is based upon the premise that synods are best positioned to work directly with congregations in planning and carrying out mission while a primary role of the churchwide organization is to provide support and build capacity among synods.

The Congregational and Synodical Mission unit is responsible for working with congregations through synods to create and support local mission partnerships. To this end, the design team maintained the directors for evangelical mission, who are deployed churchwide staff in synods. These positions are responsible both for local mission planning and the success of those mission plans. This responsibility includes providing support and building the capacity of this church to start new congregations, renew congregations, provide leadership for mission, and address issues of poverty and justice.

A priority of the Congregational and Synodical Mission unit is the success of these local mission plans in synods. Each team in the Congregational and Synodical Mission unit is asked to think anew about how its work in congregational ministry, ethnic-specific and multicultural ministry, leadership development and support, poverty and justice ministry, and advocacy aligns with, and contributes to, the success of these local mission plans.

Global Mission

The churchwide organization continues to support and build the capacity of this church for global mission. The churchwide organization provides integrated support of this church's work in other countries and the means through which churches in other countries engage in mission to this church and society. Stronger relationships with congregations working through synods are critical to increasing the global mission capacity of this church. The global partners of the ELCA depend upon the Global Mission unit to coordinate the work of this whole church. To this end, the design team sought to strengthen the emphasis on accompaniment both in global mission education and in synodical mission partnerships.

The Global Mission unit also will continue its long-term commitment to international development and disaster relief.

Mission Advancement

The full participation of this church in the mission of God depends upon how clearly members understand that mission and their level of commitment to it. To this end, the redesign of the churchwide organization created a Mission Advancement unit. The Mission Advancement unit will strengthen the identity and mission of this church through focused, strategic, and integrated communication with the members of this church and the wider society.

The creation of the unit builds on the goal established by the Blue Ribbon Committee on Mission Funding: "As a result of clear and relevant communication from the churchwide organization, ELCA members will know the distinctive missional identity of this church, will be empowered to know and tell the story of God's redeeming love in the world, and, living in God's abundance, will support personally the work of this church in and beyond their congregations" (August 2007).

The unit focuses on communication with constituents and donors. It conducts marketing and public relations and directs current, deferred, and major gift appeals. It seeks to build a strong identity among members and increase the mission capacity

of this church as members are motivated to respond with financial gifts.

The unit brings together marketing and public relations, creative services, constituent services, and all gifting and appeals, including mission support. While the ELCA Foundation continues with its own identity, it is positioned within the Mission Advancement unit. The unit also includes *The Lutheran* magazine.

The Office of the Presiding Bishop

The Office of the Presiding Bishop has taken on several additional responsibilities in order to improve the coordination of administration and the effectiveness of the churchwide organization. The presiding bishop convenes and oversees a smaller and more strategic management and planning team that includes the full-time officers of the ELCA, the executive for administration in the Office of the Presiding Bishop, and the executive directors of the Congregational and Synodical Mission unit, the Global Mission unit, and the Mission Advancement unit.

The Office of the Presiding Bishop provides leadership and care for synodical bishops and tends the relationship of the churchwide organization with the Conference of Bishops. It is responsible for the agendas for the Churchwide Assembly, Church Council, and Conference of Bishops meetings.

The Office of the Presiding Bishop also offers a new and needed locus for this church's theological discernment (including justice for women and studies). It provides oversight of the ecumenical and inter-religious relations and the military chaplaincies of this church. The Office of the Presiding Bishop includes as well Human Resources and Research and Evaluation.

The Office of the Secretary

The Office of the Secretary continues to fulfill the functions of the secretary of a corporation but also takes on the consolidation of event planning in the ELCA. The change provides for additional coordination and efficiencies in this area. The Office of the Secretary provides for the minutes and records of official church meetings, including those of the Churchwide Assembly, Church Council, and Conference of Bishops; the rosters of this church, annual congregational reports; archives and records management; the publication of official documents; changes to the constitution of the ELCA and interpretation of the constitution; legal services; risk management; meeting planning and management and arrangements for meetings of the Churchwide Assembly, Church Council, Conference of Bishops, and all other churchwide meetings.

The Office of the Treasurer

The Office of the Treasurer continues to work toward achieving efficiencies in both financial administration and information technology. The Office of the Treasurer provides for financial, accounting, insurance, property management, investment and money management systems, and related services for churchwide units; relationships with the Board of Pensions; the Endowment Fund of the ELCA; the Mission Investment Fund; and the information technology infrastructure.

Operational and Administrative Efficiencies

Many steps were taken to increase the operational and administrative efficiencies of the churchwide organization, including the following:

1. Administrative functions were streamlined in many areas including event planning, the mailroom, the copy center, the Resource Information Service, constituent support, and reception. The number of administrative support staff throughout the churchwide organization was significantly reduced.
2. The following functions were centralized:
 - a. Office supply purchasing,
 - b. Gift and receipt processing,
 - c. Marketing and communications,
 - d. Web development,
 - e. Missionary and staff payrolls and personnel policy administration, and
 - f. Accounting and finance.
3. The library was closed.
4. Vacant floor space within the building will be made available for leasing.

Positions Eliminated

Full-time equivalent positions in the churchwide organization went from 398 to 337 in the new design. A total of 61 positions were eliminated: 10 positions in the service units, 40 in program units, and 11 in the offices.

Separately Incorporated Ministries

The redesign recognizes that this church may fulfill some of its purposes through separately incorporated ministries. There are nine separately incorporated ministries: Augsburg Fortress, the Publishing House of the ELCA; the Board of Pensions of the ELCA; the Endowment Fund of the ELCA; Lutheran Men in Mission; the Mission Investment Fund of the ELCA; National Lutheran Campus Ministry, Inc.; ELCA Risk Management, Inc.; The Deaconess Community of the ELCA; and Women of the ELCA.

New Design Implementation

On February 1, 2011, the churchwide organization marked the beginning of the 2011 fiscal year and the new churchwide organization design with a staff town hall meeting. The Administrative Team (churchwide officers, unit executive directors, and the executive for administration) responded to questions, both live from staff present at the town hall and those submitted on the intranet in advance. Primary questions included those related to job descriptions and salary structure; new office locations; care of staff; and managing reduced capacity.

The new design positions the churchwide organization to support the work of congregations and synods as they address challenges and opportunities for ministry. As the churchwide organization lives into the new design, staff members are working faithfully to make the necessary adjustments. The move to a simplified organization allows for better proximity of related

programs and deeper collaboration among staff. At the same time, the new design creates a smaller, more centralized organization. A challenge is to open the channels of communication, decision-making, and shared leadership across the organization. The radical move to decomplexify the organization from 16 unincorporated units to 6 was necessary to create a more sustainable enterprise for this church's future. The shift of work into six units requires a significant change in culture. This work is not easy and is usually the greatest challenge in organizational redesign. However, a smaller leadership table is expected to reap the benefits of increased collaboration and integration.

During the past several months, staff have been assessing their new capacity for ministry. The churchwide organization has been in conversation with the Conference of Bishops, agencies and institutions, and other partners. Knowing the importance of seeking out and creating new ways to meet the ministry opportunities of our time, the churchwide organization has, for example, created a partnership with The Episcopal Church to share an advocacy position in the Washington, D.C., office. Other possibilities for shared staffing will be explored with The Episcopal Church. In other areas, staff are working to transfer oversight and responsibilities in outdoor ministries to the Lutheran Outdoor Ministry Association and in early childhood education to the Evangelical Lutheran Education Association. How ministry related to corporate social responsibilities is fulfilled has been altered. Reduced capacity in global mission resulted in decreasing the number of missionaries by five and reducing the ability to call new missionaries. Other areas where work will proceed differently include campus ministry and the Lutheran Youth Organization.

Internally, the streamlining of administrative functions has required staff to learn to accomplish their daily tasks differently. This is especially true where administrative support staff positions have been eliminated.

In the coming months, the churchwide organization will focus on strategic planning. Major objectives include increasing clarity about strategic choices; developing an operational framework that will provide for organization-wide goals for 2012–13; and increasing specificity about what work will be done less or differently in light of available resources. In addition, core messages that will communicate identity, directions, and positioning will be identified; and agreements on how leadership teams will exercise corporate and unit responsibility for implementing the objectives and assessing results will be developed.

I extend my deepest gratitude to staff in this organization for their patience, faithfulness, and excellent performance during these days of transition and change. While I know many staff are exhausted, they still exude confident hope for the organization's future as it serves with and on behalf of this church.

Churchwide Budget

One of the more perplexing areas of work in the churchwide organization has been mission funding and the allocation of financial resources. Given the interdependent nature of this church, decisions about funding ministry from the churchwide organization have serious implications for partners across this church and around the world. Since 2008, mission support has declined from \$65.3 million to a projected \$48 million for 2011. Also since 2008, the churchwide organization current fund budget has been reduced by \$19.4 million or 23.7 percent. Mission support historically has provided 80 percent of the unrestricted income for the churchwide organization. For 2011, the projected percentage drops to 76.1 percent. In August 2010, a revised budget was presented to the Church Council that represented a \$4.2 million dollar decrease or 5.5 percent. At the same time, leaders were in the middle of a greater task to redesign the churchwide organization for 2011 and beyond so that it is positioned to carry out missional priorities and is sustainable by projected income levels. The ELCA World Hunger budget was reduced by \$1.7 million for 2011. The churchwide organization continues to be thankful for the generosity of the members of this church who support its mission.

The 2012–13 budget proposal presented at this 2011 Churchwide Assembly is a symbol of the trust and expectation placed in and on the churchwide organization as it serves with and on behalf of this church. This proposal reflects a smaller, more focused churchwide organization. Please refer to Section IV for detailed information on the churchwide organization's budget.

Other Organizational Matters Reviews and Evaluations

As part of its ongoing role of evaluating and monitoring the work of the churchwide organization, the Planning and Evaluation Committee of the Church Council reviewed the work of the Multicultural Ministries and the Global Mission program units during the past biennium.

Churchwide Staff Alliances

During the past biennium the churchwide organization engaged with four staff alliances: Justice for Women, Multicultural Ministry, Poverty and Wealth, and Young Adult Ministry. These alliances assisted the organization in expressing and deepening its work related to the Plan for Mission commitments for implementation. The alliances assisted the organization to understand these areas of ministry and, where necessary, to change its culture. The alliances used such means as inventorying, imagining, and education in order to offer advice and assistance to units. A review of the alliances was conducted to gauge their impact with the churchwide staff. This is an attempt to set a base for further development and gain ideas for improving the work.

Blue Ribbon Committee

The 2007 Churchwide Assembly approved recommendations from the Blue Ribbon Committee on Mission Funding. The implementation plan called for regular progress reports to the Church Council, beginning in April 2008. During the past biennium, oversight and coordination for the implementation of the Blue Ribbon report on mission funding was in the Office of the Presiding Bishop, with special responsibility assigned to Synodical Relations and the Mission Funding and Interpretation Team (MFIT). The Planning and Evaluation Committee of the Church Council received regular reports on the implementation of the strategy. For a report on the implementation during the past biennium, see Section V.

Ethnic-Specific and Multicultural Ministries

This church continues its commitment to the full partnership and participation of African Descent, American Indian and Alaska Native, Arab and Middle Eastern, Asian and Pacific Islander, and Latino people in its life. The churchwide staff, regions, synods, congregations, colleges and universities, seminaries, and institutions work together to implement this ministry. A report that includes a description of that work is included in the Congregational and Synodical Mission unit report, Section III.

Justice for Women

The work of Justice for Women continues with and on behalf of this church. The primary focus of this program is to engage leaders through theology and education. The work also is grounded in the understanding that the work to address sexism and to sustain justice for women in church and society is the work of this whole church. A report of the current vision and objectives is included as an appendix to this report.

Finally

We are indeed freed in Christ to serve. I am thankful for the trust placed in me to serve as the executive for administration of the churchwide organization. I have been privileged to serve with dedicated, talented staff who have gone the extra mile during very difficult days. May God strengthen us all for the days of service ahead.

Pr. M. Wyvetta Bullock, *executive for administration*

