

Comments from the East District Board of Directors regarding the CCMS Discussion Guide (August 2016)

The East District Board of Directors thanks the CCMS for this opportunity to respond to the recent recommendations and request for input. The Board also thanks Rev. Bill Ney, Rev. Paul Schallhorn, and Rev. Les Stahlke for meeting with the Board at our September meeting. In addition to that meeting, the Board also convened a meeting of the members of its 3 Departments (Finance, Parish Services and Outreach) to gather further input. As well our executive staff has been involved in all our discussions. The following represents our comments at this time. We need to emphasize the concern expressed by all that so much of the proposed structure remains ill-defined at this time, making it difficult at times to comment rationally. As someone expressed, "It is like trying to nail jelly to the wall", as various things seem to change even as the consultation is in progress and many questions remain unanswered. We are also concerned that what is said at one meeting differs from what is said at another. We are extremely concerned that moving in haste before there is a clear understanding of both the problems that the new structure is addressing and the full implications of the proposed new structure, will only lead to major problems down the road.

A. Response to Recommendations for Change

Recommendation for Change #1 – One Administrative Structure

COMMENTS: While all the districts requested a review of structure, it was the decision of the CCMS to undertake a "major" restructuring, based on the interpretation of the survey results. Our opinion is that major restructuring should not be undertaken at this time because of the following:

- 1) It is unclear as to how the proposed restructuring will solve the problems being faced by LCC and its districts.
- 2) There are too many unknowns at this time regarding how the significant work of the districts will be carried out under the proposed structure, how financial resources will be distributed, how decisions will be made regarding things like financial support to mission congregations, how effective mission work in Canada will be carried out with only one person situated in Winnipeg, what support services will be provided to regions, etc.

- 3) Since there has been no financial analysis done, it is unclear what the savings will be. Statement 7 under this section – *"Administrative costs will decrease in proportion to the cost of mission and ministry (the delivery of services to members)"* is concerning as it seems to suggest that there is a desire to achieve savings by decreasing mission and ministry.
- 4) The proposed expanded role of the circuit counsellors will be burdensome and unrealistic.
- 5) We do not see how service delivery will be enhanced by dissolving districts and adding regions.
- 6) The important work of Canadian missions done in part in the East by our Mission Executive seems to be replaced by one Mission Executive located in Winnipeg. This will decrease significantly the ability to support and encourage mission work at the district level, a service that is needed now more than ever.

Recommendations for Change #2 – Convention Schedule

COMMENTS: As we stated in our previous submission to you, we would support the recommendation to move to a 4-year convention cycle and believe that this could and should be implemented while leaving the district structure in place. Retaining the current district structure but incorporating one day for district conventions as part of the Synod convention would achieve the savings of having only one convention every 4 years.

Recommendations for Change #3 – Delegates from Each Congregation

COMMENTS: We support having delegates from each congregation and feel this should be implemented while retaining the current district structure. In this way, the district convention could be included at the same time as the synodical convention.

Recommendations for Change #4 – Pastoral Voting Delegates to Conventions

COMMENTS: We agree that pastors serving a congregation should have one vote and that if vacant congregations have a called pastor (retired/advisory) as their

vacancy pastor, he should be allowed to serve as the clergy delegate for that vacant congregation.

As we pointed out in our previous submission, we do feel the commission needs to address the issue of representation for multipoint parishes. It is likely that in the future there may be for example, 5 congregations sharing 2 pastors. Someone needs to address how votes will be handled under these circumstances.

We also note that the issue of who gets a vote needs to be addressed regardless of the issue of restructuring.

Recommendations for Change #5 – Dividing President’s Responsibilities

COMMENTS: We do not support this recommendation.

Lutheran Church—Canada is first and foremost church and not some administrative unit that deals primarily with things like worker benefits, church extension funds, legal advice, funding of the corporation, and the like. However, it is important that the President of the synod (Synodical Bishop) continue to have supervision over not only ecclesiastical services but also corporate services. After all, what is done at the corporate level must be informed and directed by who and what we are. This is articulated in, for example, Article III Objectives and Article VI Conditions of Membership of the current Constitution of Lutheran Church—Canada. A Synodical Administrator must, therefore, be accountable to the President of the synod (Synodical Bishop) and not only to the Board of Directors. This does not mean, of course, that the Synodical Bishop needs to be involved in the corporate day-to-day operations of the synod or that he even have financial expertise and the like. In short, we need to have one head, not two. This is in accordance with how the first Lutherans wanted their confession to be put into practice and a proper structure implemented as put forth in their 1545 report entitled “The Wittenberg Reformation.” In addition, C.F.W. Walther, in his 1879 essay entitled “Duties Of An Evangelical Lutheran Synod,” reminds us of the primary things that the synod needs to be doing and concerned about . . . and these are all theological, not business or corporate matters.

We believe that the current system of having a business manager to handle the administrative duties works well. It is important that on a day to day basis, when

required, there is one head to lead and direct the entire organization in fulfilling its mission.

Recommendations for Change #6 – Accountability of the Synodical Bishop

COMMENTS: We agree that the President should be accountable to the Board of Directors. The issue of whether or not he has a vote is really not important since in practice, the important thing is that he has voice. Thus he should be designated a non-voting board member to ensure he is able to attend and participate in all board meetings and also is entitled to receive notice of all such meetings.

It would be prudent to include in the Handbook a section on accountability.

Recommendations for Change #7 – Titles: Synodical Bishop, Synodical Administrator, Regional Pastor, Circuit Counselor

COMMENTS: Regarding the title "synodical bishop" we reiterate the view expressed to you in our previous response, namely: - *"Because of the large number of lay opposed to this, this issue will be very divisive and will take too much focus away from more critical issues, both now and at the convention. The Board is cognizant of the fact that many clergy support the title of "bishop", and agrees that having a discussion on this is good, and can be used as a teaching opportunity to bring the laity around to the understanding of why this title is appropriate. However, the board strongly recommends that this discussion take place outside of the discussions on restructuring."*

We are hopeful that you will take this advice.

B. Response to Request for Input

Request for Input #1 – Role of the Regional Pastor

COMMENTS: Your first sentence in this section reads *"Much of the Regional Pastor's role will be the same as the current District President's"*

We agree that the regional pastor in your system seems to be similar to the District President role. Currently the majority of the district President's time is spent in non-administrative functions and your statement seems to concur. However, what will change is his lack of support staff, office space, and committees/departments

to assist in the work currently being done by the districts. There will also be much less accountability since his only accountability will be to the Synodical Bishop, rather than to a board of directors. If you do not include the required support systems, then the work of regional pastors will be ineffective. Likewise, any move to making this a part-time position will take away too much time from a pastor's congregation.

Therefore we have concluded that the present system of District should be retained.

Request for Input #2 – Number and Boundaries of Regions

COMMENTS: We recommend that the district system be retained, although consideration could be given to moving to 2 districts (using, for example, the Man./Sask. border as the boundary) or possibly 4 Districts. Moving to a large number of small regions will undoubtedly increase cost and lead to more regionalism and insularity. For example, right now in the East District we have a "Partner to Partner" program where congregations with more financial resources partner with a needy congregation. Smaller regions will likely inhibit this approach as congregations may be reluctant to reach beyond their own little region.

Request for Input #3 – Role of the Circuit Counsellor

COMMENTS: We believe that the expanded role of the circuit counsellor will be burdensome and unrealistic. Providing compensation for the position is missing the point that congregations need as much of their pastor's time as possible. Visiting congregations is becoming increasingly difficult since many pastors now serve more than one congregation, and taking time away may necessitate finding a replacement for more than one congregation. Adding to the job of circuit counsellor will be extremely problematic.

Request for Input #4 – Number and Boundaries of Circuits

COMMENTS: There is no practical answer to this question. The Districts are in the best position to review this and should do so. However, the right size depends on geographical considerations of distance, the number of multi-point parishes in an area, and many other factors. Making the circuit the fundamental delivery unit for services is impractical.

Request for Input #5 – Revised Handbook Contents

COMMENTS: We are not comfortable with having only the Act of Incorporation and the statutory bylaws included in the Handbook. This places too much authority in the Board of Directors to make fundamental changes without the approval of a convention. Beyond this, it is difficult to give a rational answer to this question without more details on what is planned to be included in the Handbook versus what would be lodged in a Governance manual. We disagree with the statement that in the future, since all congregations will be represented at conventions, it will be unnecessary to have changes ratified by congregations individually. At the very least, if the convention makes amendments on the convention floor to any proposed Handbook changes, those should be subject to ratification by congregations individually, since there will have been no opportunity for congregations to have discussed and advised their delegates appropriately. Again, since no details are provided, we do not know the implications of removing some things from the bylaws and incorporating them instead into MOU's. This all tends to remove authority from the congregations, the essential unit of LCC and placing it in the hands of the BOD.

While the Strategic Plan may not be included in the Handbook, consideration should be given to presenting this at the convention for endorsement by the convention. Since under either the current structure or a revised structure, the work of the districts should have some relation to the synodical strategic plan, it would be important to have buy in and endorsement from the fundamental members of the corporation (synod), namely, the congregations.

Request for Input #6 – Ministry and Administration Costs

COMMENTS: While it may be necessary for the purposes of the Canada Revenue Agency to separate administration costs from ministry and mission, it seems unnecessarily time-consuming and unproductive to do so as part of the restructuring exercise. The division of costs can be very arbitrary and it is possible to manipulate the cost allocations to show that administration costs increase or decrease (depending on the desired outcome) under a particular scenario. However, at the end of the day, all costs are a necessary part of delivering the church's mission and ministry.

What would be more helpful (and easy) is to simply take the aggregate costs of the current structure, districts and synod, and compare them to the costs under the proposed new structure. We suspect that the costs will not be very different.

Then the questions to be asked are:

1) Will we be able to maintain or increase the current level of service being provided both at the synodical and the district level, in an effective manner with the new structure?

2) Will we be able to sustain the overall resultant costs?

C. Some Additional Comments

1) The planning has been backwards.

A structure has been devised before understanding what it is that districts do. Only now are we being asked how to fit the work of the districts into a new predetermined structure.

2) Decision making authority and accountability

There has been no clear enunciation of how decisions will be made in the new structure. There are as yet no answers to the following questions:

-who will decide on how money is distributed to the various regions/districts/circuits?

-at what level will various decisions be made? If decisions flow from circuit to region to regional pastor to synodical bishop to synodical BOD, then there is a lot more red tape and process that will only hinder work.

-will committees become purely advisory to a regional pastor who will have the real authority? Not a good system.

The rationale for separating administration from other responsibilities at the top level is to give the Synodical president/bishop more time. However, under the new system he is ultimately responsible for reporting on all the work of the entire church done through regional pastor, circuit councilors, and circuits as well as all of the mission work---- a lot more onerous than having a business manager reporting to him. How will he be able to effectively do this? He won't be able to do it along

with all of the international responsibilities that he has. This system will result is less rather than more accountability.

3) Objectives of LCC

The CCMS has decided to leave these as they are currently enunciated in the Handbook. Everything we do flows from this. The current wording requires a lot of interpretation and should be reviewed to decide where our priorities lie and to rewrite it in language that the average person in the pew can actually understand.

Where is the whole concept of supporting and encouraging struggling congregations and providing financial assistance as required? It has been decided by the CCMS "that the statement (Article III 2) "strengthen congregations and their members in giving bold witness by word and deed to the love and work of God, the Father, Son and Holy Spirit" – means "fostering Canadian missions." Then one needs to refer to Appendix 2 of the study guide and further read down a list to get to statements about nurturing and supporting existing congregations. The lack of clear enunciation of this important objective is concerning. This may be the reason why the proposed structure puts this whole area of Canadian mission encouragement in the hands of one person in Winnipeg.

4) Good Governance

It has been stated that the current structure needs changing because of lack of accountability in it. However, a major problem seems to be a lack of proper governance at the Synodical level. This is evidenced by a Handbook that was not properly kept up to date (If there are contradictions in the Handbook, this is not the fault of the structure but is a governance problem). Where lines of authority are not clear this could have been clarified by the establishment of a governance manual, which most organizations have, and by proper job descriptions. Again this is not a structure issue but a governance issue.

Further evidence of a governance problem rather than a structure problem is shown by the following two examples where the Handbook was not followed:

Finance: *District Church Extension Programs (2.211)*

All district church extension boards or committees shall administer the district's church extension program in conformity with policies established by Lutheran Church-Canada Financial Ministries and in accordance with district regulations.

It appears that no such policies were ever established at the synodical level and communicated to Districts.

Planning: – One of the criticisms of the current structure has been a lack of coordinated planning between the synod and district levels.

Planning Council (2.303)

AS IT APPEARS IN THE 2011 HANDBOOK

The members of the Board of Directors and of the Council of Presidents shall serve as the Planning Council of the Synod under the chairmanship of the president. All principal staff persons shall function in an advisory capacity.

The Planning Council shall:

- a. recommend planning, programming, and budgeting systems encompassing short-, mid-, and long-range plans to serve as a basis for program and budget formulation, allocation of resources, financial planning, review, and reporting for the Synod and its districts; such systems to provide for the sharing of the work and needs of the Synod and its districts;*
- b. convene at least triennially a planning conference of the members of the Planning Council together with district staff, senior staff of the national office, and college and seminary presidents to plan programs for carrying out Canadian and world missions, supplying adequate support for synodical colleges and seminaries, and supporting other approved programs;*
- c. recommend operating budgets, short-range plans and long-range plans at the national church body program level based on proposals and analysis made by the administrative officer through the office of the president; and report the budgets, plans, and performance to the Convention. Such budgets and plans shall be prepared in accordance with Chapter VII of the bylaws.*

At the 2014 convention, on recommendation of the CCMS, the yellow portions were deleted, triennially was changed to "at least every 6 years" (citing financial concerns) and the final sentence was amended to read only "and report such to the convention."

It would appear that it was the CCMS and the BOD that downplayed the importance of coordinated planning. Again if there is a lack of coordinated planning, it is not a structural issue but rather a governance issue. Was there ever a concerted effort on the part of Synod to encourage districts to plan on the basis of the synodical strategic plan? At the 2008 convention a strategic plan (the last one prepared) was presented only at one of six optional workshop sessions.

While some structural changes may be necessary to accommodate the concerns of the other districts, these concerns need to be clearly enunciated and the proposed new structure should clearly identify how these concerns will be alleviated and result in better service delivery. HOWEVER, none of this will help with the current poor governance practices. The proposed new structure, with its many layers of

authority will make governance more difficult –try keeping track of possibly 10 regions with somewhat amorphous roles and MOU's with over 20 entities.

5) Role of circuits

The proposed new structure would elevate the role of the circuit councillor and the circuits themselves. This is somewhat ironic since it was the CCMS's recommendation at the last synodical convention to reduce the importance of circuits by removing the requirement for an annual meeting and allowing them to meet only once every 3 years. Since the rationale at that time was the difficulty of getting circuit members together, how can this same group now expect the circuit to take on a much expanded role?

D. Conclusion

We understand and appreciate the great deal of time and effort the CCMS has spent on the restructuring process to date. The process itself has prompted us all to think about how we are organized and what we could do better to further the mission of the church. We have concluded that most of the problems identified can be worked out within the current structure and /or with some minor structure changes.

The work of dissolving the districts will not be simple as there are many legal implications to be worked out and a lot of time and effort will be spent over the next 4-8 years on moving to a new structure that does not seem to improve the delivery of services to our congregations or the work of missions.

The processes established in the East District to provide good governance and involvement of the laity is something we do not want to lose. We are more than willing to assist the other districts and the synod and share our experience in these matters. We feel this could be much more productive than totally dismantling the current structure to replace it with a structure that in our view is unworkable and less accountable.