

Re: Rio Grande Conference

July 12, 2011

Background and Summary

The Council of Bishops commissioned the General Board of Pension and Health Benefits (GBPHB) and the General Council on Finance and Administration (GCFA) to partner in providing conferences with a Financial Advisory Consulting Team—known as FACT. Under the guidance of Bishop William Morris, FACT worked with the San Antonio Episcopal Area (SAEA) in May and June 2011 under the Rio Grande Conference (RGC) leadership of Bishop James Dorff; Virgilio Vazquez-Garza, assistant to the Episcopal Office; Oscar Garza, statistician and former treasurer; Richard Leggett, conference benefits officer; Margie Trafton, treasurer; and Abel Vega, director of Connectional Ministry.

After 22 interviews, research, countless e-mails and phone calls, and our first face-to-face meeting on May 24, 2011, we identified eight primary recommendations to help the RGC not only survive but thrive. These recommendations are based on five primary realities identified by conference leadership during our May 24 meeting. There was consensus among conference leaders that these five primary realities need to be worked on:

1. RGC has lost its sense of self.
2. It is time to restart rather than revise.
3. RGC could work toward a unification with Southwest Texas Conference (SWTX)/SCJ.
4. RGC must look at the financial reality and relevancy with a lack of programs.
5. RGC must challenge and help the UMC in looking at Hispanic ministry as a priority.

We agree with these realities, and our recommendations are influenced by them. In fact, in seeing the good that RGC has done and contributed to the UMC, and accepting their own aforementioned realities, we recommend it is time to proclaim success on the RGC's initial purpose of existence, celebrate it, and then move on to its next goal and new structure—taking its skills, doing what it does well, and doing it even better by sharing its members and leaders with others throughout the connection.

Furthermore, we found the people of the RGC to be friendly, proud, hopeful and pragmatic. While not universal, the overwhelming majority of RGC leaders recognize, as FACT does after listening and research, that if the RGC remains as it is, the RGC will be financially unsustainable and unification would be necessary.

FACT believes that both conferences within the SAEA need each other equally, albeit in different ways. RGC would benefit from the financial operating strength, disciplined structure and programs of the SWTX, whereas SWTX would benefit from RGC's financial pension strength, spirit and, most importantly, from their knowledge of the quickly changing mission field throughout the SAEA. We believe the SAEA has a unique opportunity to embrace the changing demographics in its mission field and not only grow the Church in the SAEA, but also to be an example for the other UMC conferences in the country to learn from and then grow in their mission and ministry. More specifics are provided later in this report.

This report reflects the opinions of FACT members, but not necessarily the views of their conferences or general agencies.

Meanwhile, the conference leadership has agreed to embrace and continue to address the following recommendations in order to optimize RGC's investment in the SAEA. This report summarizes the FACT recommendations for the RGC.

FACT's primary recommendations focus on the following areas:

1. Church Culture and Growth Opportunities
2. Conference Financial Sustainability
3. Preparing for Unification with SWTX
4. Implementing Unification with SWTX
5. Sustainability of Churches
6. Clergy Opportunities (and Succession Planning)
7. Clergy Supervision and Role of the District Superintendent
8. Pension and Health Benefits

Church Culture and Growth Opportunities

The RGC has provided The United Methodist Church with many blessings. From the leadership of its clergy to witness of faithful laity, the gospel has been and continues to be proclaimed in Texas, New Mexico and across the South Central Jurisdiction (SCJ) to Hispanic and Latino persons.

From the initial ministry of The Reverend Alejo Hernandez and those men and women who followed Rev. Hernandez, the RGC has reached many persons in the name of Christ. RGC has developed leaders who were elected bishops of the denomination and have served the Church's boards, agencies and related organizations.

The current "familia" approach in some RGC churches limits the growth in local church membership. With the changing demographics in the region (increasingly rapid growth among the Hispanic population), this familia approach must be expanded to ensure longer-term sustainability. The time has come to truly "open doors" to the new and emerging generations of Hispanics, as well as to those Hispanics already present in immigrant communities assimilating into their midst.

This current approach to membership in some RGC churches could be viewed as intra-racial discrimination (e.g. generational and or socio-economic classes) or exclusion within and across the Hispanic population—and must be addressed from a theological perspective for corrective action. This can be and has been perceived by the UMC collectively, some local RGC churches individually, and some potential disciples as being a "members only" church.

In certain locations, membership growth will not occur because RGC program areas that would provide support and resourcing of local congregations are nonexistent. Thus, in support of the recommendation to "open doors," RGC needs to re-establish programs and services to support local churches' ability to attract and invite new persons to their ministry community—just as the RGC used to do ("before we lost our way").

From the perspective of structure, the SAEA appears to be in name only (e.g. the assistant to the SAEA bishop assists SWTX, not RGC). RGC appears to have very little connection within the SAEA; maybe even not treated the same as SWTX (e.g. little to no staff, programs, etc.). This perspective and understanding

has to change. These two conferences need to do all that they can to facilitate all aspects of ministry and making disciples to ensure that “the power of two, work as one” or “many talents, one mission” in the service of our Lord!

Our interviews and large and small group discussions consistently indicated that, for many of the RGC churches, their current way of “doing church” is meaningful and treasured by the members who have been in those churches for decades. However, this manner of being the church is not necessarily meaningful to the children nor their grandchildren of these long-time church members, nor does it appeal to the “unchurched” or to those Hispanic persons whose background is predominately Roman Catholic and who comprise an increasing population in the communities in and around RGC churches.

FACT believes it is important that conference leadership and RGC church members who are committed to change and outreach describe current practices and customs that they believe are inhibiting growth (and even retention of younger members) and how they think those practices and customs could change to cultivate growth (and retention). The changes identified could be based, to the extent available, on models that are working effectively among congregations successfully reaching their Hispanic neighbors — throughout the connection and particularly within RGC and SWTX. In a few churches, membership growth and the expansion of local church ministry delivery have been made possible by evangelistic outreach and inviting persons beyond the traditional long-standing families within each church, while keeping those same members engaged and involved in the assimilation of these new members.

The idea of changes or shifts in style and program ministry appealing within Hispanic populations will need to be first thoroughly discussed with, refined by, and accepted by the pastors of the RGC. In turn, pastors can then teach these concepts to their congregations, with the support, mentoring, coaching and overall coordination from conference leadership. Further research is needed on other denominations to determine what they are doing to effectively minister to Hispanic populations, especially within the SAEA.

The issue of racism is one that will not be addressed easily in the current political environment within the geographic area that is SAEA. Old history still creates ill will today. There are feelings from past years of working side by side with SWTX conference churches that resources or ministries were not shared or not perceived as worthy because they were in a language other than English. It is time to put all of that behind us and for all to work together in the service of our Lord and Savior.

The Hispanic members of the RGC have added to the depth and spiritual life of the UMC. However, their journey has not been easy, and there are some who even question the legitimacy of any Hispanic person to live in the United States. Even in the midst of the rhetoric that goes on in state and local governments, the churches and members of the RGC bring a noble and faithful history of answering God’s call. The spiritual base upon which the RGC now continues to carry out its ministry will be guided by its leadership, pastors and local church members, and blessed by God.

FACT found the June 2011 final report of the Bishop’s Commission on Area Cooperative Ministries to be a very good report, providing both a rich history and some good recommendations. We respectfully submit that our work suggests there needs to be an even greater sense of urgency, and that a complete unification (not just of vision and purpose) is needed for lasting vitality and sustainability in the SAEA. While many of the answers lie within the SAEA, additional solutions and best practices of cooperative ministries can be found throughout the connection and in other denominations. In any event, cultural issues and their proper treatment will help determine the ultimate lasting success of any unification.

Conference Financial Sustainability

The RGC has approximately \$2.4M in liquid unrestricted net assets (also known as reserves) as of December 31, 2010. This represents about 18 months of program and administrative expenses (based on the total 2010 expenses of approximately \$1.6M). Between 6 and 24 months of expenses would be within recommended guidelines for not-for-profit organizations. On this measure alone, the RGC would be in a strong financial position in terms of the level of its reserves, and of its current operations.

However, the RGC is not operating in the same manner as most UMC conferences, which impacts its long-term financial sustainability. Apportionments provided support for about 44% of the total expenses incurred in 2010 for the RGC, whereas apportionments provided support for nearly 97% of total non-dedicated program and administrative expenses incurred in 2010 for the SWTX. Unrestricted investment income and temporarily restricted investment income released from restriction provided support for approximately 52% of the total expenses incurred in 2010 for the RGC, whereas investment income provided support for less than 1% of the non-dedicated program and administrative expenses incurred in 2010 for the SWTX.

The RGC also relies on the support of the benevolence of the general Church more than most UMC conferences. This benevolence, initially designed to decline with the hoped-for increase in RGC self-sustainability, regardless will likely decrease significantly in the next quadrennium as the Church struggles with the aftershocks of the “Great Recession” that began in 2008 and continues to linger in some parts of the economy and country. In the event of another market crash, the RGC would need to use its investment corpus (built through the benevolence of the general Church and maintained through the stewardship of the RGC), instead of the current practice of using investment income and general Church funds to meet the majority of its current budgetary obligations. Over the long term, the current practice of relying on general Church funds would lead to a decrease of RGC’s reserves until they were completely depleted.

Since only 58 of 85 (68%) of RGC churches paid their apportionments in full in 2010 and the total percentage of apportionments received was approximately 87%, it is highly unlikely that apportionments can be increased given the economic realities facing the local church membership. This issue, combined with the impact of investment risk and the decrease in general Church funding, have serious ramifications for the long-term financial sustainability of the RGC. To assist in this challenge, the 2011 Annual Conference voted to reduce district superintendents from three to two, and voted for a 20% drop in apportioned funds.

FACT recommends development of a five-year strategic financial plan for the RGC to document future trends in apportionments, investment income and general Church support. This will enable RGC to identify the funds available for programs and administrative expenses over the long term. Contingencies could be considered as part of this long-term planning, to create additional budget scenarios in the event of unexpected decreases in investment income or expected decreases in general Church support.

The RGC could evaluate the appropriateness of its investments for meeting its short- and long-term liabilities and budgetary needs and try to limit drawing down the investment corpus.

Preparing for Unification with SWTX

A conference unification is a major undertaking in any instance. For SWTX and RGC, combining the two conferences is further complicated by the location of a number of RGC churches within the geography of conferences other than SWTX. A key question regarding potentially joining RGC and SWTX is whether the RGC churches within the bounds of these other conferences (approximately 34 of the 84 total RGC churches) will become part of those conferences or be part of the new combined conference. *FACT recommends that churches join the conference in which they reside geographically. This makes the most sense from an administrative standpoint, and more importantly, allows those churches to positively influence and help other conferences.* (In a few exceptions, it may make sense for the SAEA to retain churches located outside the conference area.)

Accordingly, an early step toward preparation for joining RGC and SWTX conferences is conversations with leadership of annual conferences beyond the SAEA about the RGC churches within their geographic bounds becoming part of those conferences. The positions of these other conferences regarding RGC churches in their geographies joining those respective conferences will inform the work going forward and the SCJ's proposal for action.

If the RGC churches outside SWTX boundaries become part of the conferences in whose boundaries they are located, a further question arises concerning the conference membership of clergy serving those churches. Two options are readily apparent:

1. The RGC pastors could transfer to the conferences in whose boundaries the churches they are serving are located. (This would be the only option for licensed local pastors.)
2. For ordained clergy, the pastors could hold membership in the new combined conference and continue to serve their present congregations under ¶346.1, as clergy from other annual conferences.

The question could be handled through a combination of these two approaches, if that proved most satisfactory for all the clergy and conferences involved. However, any implications of some clergy transferring and others serving in ¶346.1 appointments would need to be carefully examined.

Additional preparation steps for uniting RGC and SWTX would likely include:

- Agree on a plausible timeframe. Since any unification or realignment requires approval of the Jurisdictional Conference, the most likely opportunity for authorizing a unification occurs only every four years (barring a called session of Jurisdictional Conference). If unification can be expected to strengthen both of the existing conferences, FACT recommends seeking action by the 2012 Jurisdictional Conference rather than waiting until 2016. Meanwhile, we recommend that RGC and SWTX begin consolidating where able by building bridges and synergies.
- Based on conversations with neighboring conferences as described above, prepare the aforementioned request for conference unification and realignments for the 2012 SCJ Conference. This request could allow for flexible implementation date(s), to allow the work to occur in phases or over time.
- Develop a vision and mission for the new conference. Critical measures for subsequent decisions could be "Does this align with our vision?" and "Does this help achieve our mission?"

- To fulfill requirements of *The Discipline* ¶1509, all conferences involved in proposed realignment or combination could elect Joint Distributing Committee members at their 2012 annual conference sessions.
- Identify the key areas of difference or variation between the two existing conferences, including: matters that will either need to be resolved with a common approach or that could intentionally be continued with the present differences or separations for at least the near term. A partial list of these matters might include:
 - Minimum salaries: salary level and which elements of clergy remuneration are included/excluded
 - Conference health plans: clergy health insurance coverage, policies, premium sources and cost-sharing with plan participants
 - Effect on and resulting impact of combined Conference Average Compensation (CAC): Comprehensive Protection Plan (CPP) eligibility, plus any other items pegged to CAC
 - Parsonage standards and guidelines
 - Local church property, liability and other insurance
 - Apportionment formula
 - What is apportioned versus what is billed to churches
 - Retiree benefits
 - Health insurance
 - Pre-82
 - Other
 - Clergy moving expense policies, practices and amounts
- Formulate a plan for new conference structure and leadership that will engage leaders of the RGC and SWTX conferences and build their ownership in the new conference, while minimizing feelings of disfranchisement or devaluation—to the extent possible without sacrificing attainment of the mission and living into the vision.
- In the ensuing months, seek joint efforts or shared responsibilities between the two conferences, to allow RGC and SWTX personnel to begin working together. Such partnerships might include:
 - Superintending of RGC churches and pastors by the SWTX DSs within whose districts those churches are located (recommended separately)
 - Participation of RGC clergy in SWTX district clergy meetings for the districts in which the RGC clergy reside
 - Training events
 - Mission our outreach projects
 - Publications and other communications, such as conference electronic or printed newsletters or newspapers, ideally created in both Spanish and English
 - Meetings of conference boards, commissions, or agencies
- Hold listening sessions across both conferences to:
 1. Raise awareness about current realities, trends and projections for the future if no change occurs,

2. Share the vision and mission of a new unified conference and the potential for how creating a new conference can help:
 - reverse declining trends,
 - build on current strengths of each conference,
 - provide energy and momentum to make needed changes and innovations,
3. Hear the concerns, questions, and aspirations of church members and pastors.

Structure for the listening sessions could be considered thoroughly. The key question is whether sessions could be joint (inviting persons from both conferences) or separate (per conference). Combined sessions might help foster mutual understanding of all perspectives and concerns, but separate sessions might engender more candor and freedom in giving input. Also, consideration should be given to appointing a full-time transition manager (or managers) selected from a pool of well-regarded candidates (perhaps retirees) who would drive this onerous, but worthwhile, unification to lasting success.

Implementing Unification with SWTX

Based upon the comments of conference leaders and FACT's review of financial and demographic data for both conferences, absent significant change— including unification, we believe that neither the RGC nor the SWTX conference are sustainable in the long term.

Financial data clearly indicates that the RGC has little more than a quadrennium to either radically decrease its connectional ministries or find new partners with whom to engage in ministry.

Although SWTX's financial picture is presently strong, demographic data indicates that SWTX must take action to better reflect the area's demographic trends or face severe financial challenges in the future.

It is clear to FACT that combining the missional strength of the RGC with the financial strength of the SWTX would create tremendous synergies and opportunities for exciting new ministry. Due to the financial and demographic challenges facing the current conferences, we believe a redrawing of boundaries and unification of the SWTX and RGC churches located within the boundaries of the SWTX could occur no later than January 1, 2016 (see possible timeline below).

A unification of the RGC and SWTX conferences poses significant and unique challenges. Due to the differences in the numerical presence, geographic size and financial strength of the conferences, this unification would be unlike any amalgamation attempted since at least the dissolution of the Central Jurisdiction and its annual conferences in the late 1960s and early 1970s. In short, although some wisdom and insights can be drawn from recent conference unifications, many of the challenges that face *this* unification would be unique to the SAEA. Despite their shared commitment to the UMC and its mission, challenges to unification of RGC and SWTX include:

- Little current sharing of ministry or leadership between the conferences
- Significant differences in history, culture and styles of leadership in the two conferences
- Significant imbalances in geographic size, membership levels and financial strength of the conferences
- Wide disparities in compensation levels for pastors in the two conferences, particularly as they relate to conference minimum salaries
- Questions of how to provide for strengthening RGC churches existing outside the boundaries of SWTX

There are certainly additional issues and challenges the conferences will face—many of which will only become evident as the unification process begins. What is clear, however, is the need to begin this process in earnest as quickly as possible, with special attention paid to how a new conference can develop a new culture of leadership and ministry that honors the history of its predecessors without becoming overburdened by an organizational tendency to rely upon old, outmoded practices and habits.

With this in mind, we believe the two conferences could begin working as one conference before taking the steps toward official unification. That process could include joint sessions of conference boards and committees, the sharing of conference staff and district superintendents, and the sharing of financial resources and liabilities in the years prior to a 2016 union. In addition to consolidating conference structure, lasting successful unification will only occur if it also takes place at the local church level.

Providing assistance for all to personally manage this transition of unification (and any related distress, etc.) would be very helpful. William Bridges & Associates is one provider: (<http://wmbridges.com>). A FACT member has experience in this regard and is willing to assist the SAEA.

FACT recommends that a cost/benefit study could be performed to understand the hard and soft costs and benefits associated with a unification of SWTX with RGC.

Examples of potential savings include: elimination of redundant positions or offices; one conference financial statement audit, etc. All current conference staff positions could be evaluated as to their new functionality within a unified organization.

Here is a suggested timeline for the process:

Summer 2011 – In partnership with SWTX, jointly commit to the unification, and prayerfully ask the Holy Spirit for guidance throughout.

Fall 2011 – Establish a unification task force, nominated by the Bishop, to begin holding listening sessions. The task force could include fair representation from both conferences.

January 2012 – Conference boards and agencies conduct introductory meetings in joint session. This is especially necessary for the boards of ordained ministry, pensions and trustees, the councils on finance and administration, connectional tables (or equivalent), and equitable compensation commissions.

June 2012 – Both conferences consider and approve a petition to the 2012 SCJ Conference to realign the boundaries of the RGC and SWTX conferences as of January 1, 2016, to include the unification of the RGC churches with those in the boundaries of the SWTX, as well as the unification of RGC churches outside of these boundaries with other conferences in which they geographically reside.

July 2012 – The South Central Jurisdictional Conference approves the unification proposal.

Fall 2012 – Conference boards and committees meet only in joint session.

June 2013 – Conferences elect or hire joint staff leaders, particularly in the offices of treasurer, benefits officer and director of Connectional Ministries (or equivalent).

July 2013 – Conferences begin sharing district superintendents, with one DS for RGC appointed specifically to work on transitioning churches outside of the SWTX boundaries to more fully engage with the ministries of the other conference and Episcopal leader in their area.

Fall 2013 – A network of existing RGC churches is formed to provide for the optimization of Hispanic ministry in all areas where RGC churches are created; while maintaining successful outreaches such

as the Hispanic UMC Women’s Group, Hispanic Clergy Fellowship Group, et al. This network could serve as a grassroots organization of the clergy and lay leaders of the conference, to allow them opportunity to express their hopes and concerns to leaders in other conferences, particularly outside the boundaries of the SWTX. It is also recommended that this group have a close relationship with MARCHA and the General Commission on Religion and Race (and conference CORRs or other conference structures that care for religion and race matters).

June 2014 – Conferences meet in joint session for the first time. A uniform minimum salary and common fund for equitable compensation are established. Church leaders are trained on a process for devising shared ministry strategies and goals for their community, regardless of conference. Districts are officially realigned.

Fall 2014 – Churches work on shared ministry strategies for their communities. Preliminary proposals are due to the DS by December 1.

December 2014 – Any clergy members of the RGC requesting transfer to a conference other than the new one are identified.

Spring 2015 – Churches meet in joint special charge conferences to approve shared ministry strategies for their communities. Pastors are appointed within unified conference boundaries for the first time. Churches outside the boundaries of the new conference are still appointed by the SAEA bishop, but based upon the recommendation of the other bishop with oversight in that area.

June 2015 – Final plan of unification approved by the conferences, effective January 1, 2016. All RGC clergy are transferred to another conference, if they have requested it.

January 2016 – “The New Rio Grande Conference”—paying homage to both SWTX’s original name and the old RGC, as well as *new* found hope for the area it serves—is officially created (though hopefully all will have worked as one long before this formal date).

By church standards, this timeline is fairly aggressive and is frontloaded with many of the most challenging steps occurring long before the actual date of unification. Such an aggressive approach is intended to provide some “wobble room” in case specific areas require more time. As cultural change is far more challenging than structural change, we believe that it is of upmost importance that the leadership of both conferences begin leading together long before the final plan of unification is devised.

Sustainability of Churches

As the population moves from rural to urban areas, the viability of smaller churches must be considered. The rising cost of health care and pension benefits makes the affordability of a full-time pastor out of reach for many churches. For some small churches, even sharing the costs with another congregation is not possible. In addition in these churches, connectional responsibilities (apportionments obligations) are not being met. Rest assured the goal is not to close churches; in fact the goal is to help create self-sustainable churches, for if they are not self-sustainable, ultimately subsidies dry up (as the RGC and the connection are currently experiencing) and churches are compelled to close. Thus, budgets to help all churches live within their means must be built and implemented (even if that initially means changing where they worship, etc.), for self-sustainability is the only true way to prevent the closing of churches.

The annual conference needs to consider a plan of action for all churches that are not financially sustainable in their current situation, that takes into account not only the financial realities but the need

of the Church as a whole to provide ministry in urban and rural areas as part of our mission. Because of the challenging geography of RGC, this could mean yoking with another congregation, going on a circuit with another congregation, reducing pastoral support (i.e., going from full time to half time), support from the conference as a strategic mission location, or, if absolutely necessary, closure. Criteria in determining this would include, but not be limited to: economic conditions of the geographic area and trends in statistical information (i.e., worship attendance, professions of faith, missional outreach). *The Book of Discipline* offers a process for this kind of assessment in ¶212 and ¶213.

Criteria for this process could be established across both the RGC and SWTX conferences. This would increase opportunities for shared ministry among churches in both conferences.

- Make it a priority to identify any areas of potential liability and ensure that there is adequate property insurance for all churches, and all paid church employees are being reported properly for tax purposes.
- Complete an inventory of land and unused properties, and review alternatives for liquidating or using these properties.
- Sale of Remaining Churches Previously Closed: The Conference could make every effort possible to sell the remaining closed churches that are under the oversight and control of the Conference. The proceeds could be used for new ministry and mission versus being tied up in an unused asset. The potential liability for these churches would also be mitigated by selling them as soon as possible.
- Review of Unsustainable Churches: Conference leadership needs to review all churches to determine whether or not they are sustainable for the future. Criteria need to be established to ensure a fair and objective evaluation. RGC criteria could be in alignment with SWTX criteria so, in the event of a unification, churches that were considered sustainable do not immediately become unsustainable under a new set of more stringent guidelines.

Clergy Opportunities (and Succession Planning)

The data received seems to indicate that there continue to be a decline in clergy leadership due to the lack of financial resources and the cost for clergy pension and health benefits.

- The RGC could request a study to determine how many clergy will be needed to serve the present churches and to define the style of clergy leadership, especially in light of fewer RGC churches requesting Spanish only. This might be tempered if “opening the doors” to younger generations increases the demand for worship in Spanish – which may exacerbate the need for more leadership.
- The RGC could look at what would be needed if the churches within the bounds of the SWTX became a part of that annual conference.
- Both annual conferences could work on training that would enable pastors to serve in either the RGC or SWTX. This could involve the General Board of Higher Education and Ministry.

An overall evaluation of clergy supply and demand must be undertaken. First it needs to be determined how many clergy are truly needed given the current membership and hopefully, future membership. A determination needs to be made regarding how many clergy will be retiring in the next five years and if there are new candidates/probationary members or local pastors to fill the needs. Some of this data was recently collected and shared with Bishop Dorff.

FACT recommends initiating discussion with RGC to engage in shared ministry and develop criteria for cross-conference appointments (going both ways). After unification, it may be most effective for clergy

to offer one worship service in Spanish and another in English. In the absence of bilingual clergy, clergy may be able to share churches or utilize local lay pastors.

In addition, the overall health and well-being of clergy must be addressed. The Church Systems Task Force (CSTF), jointly convened by the General Board of Pension and Health Benefits and the General Board of Higher Education and Ministry, has released the final report on the impact of the employment systems of the Church on clergy physical, emotional, spiritual, social and financial health. It would serve the conference well to review (in detail) the recommendations of this report. The Church Systems Task Force's recommendations are:

- *More help for those entering licensed or ordained ministry:* Stronger screening of candidates for ministry, standardization and strengthening of the residency program during the provisional period, and providing a provision for a career-long mentor, apart from the district superintendent.
- *Guidelines for healthy work/life balance:* Champion and monitor clergy health and wellness, promoting annual (regional) conference resources, and providing support to clergy, spouses and families.
- *Changes to itinerancy and appointment-making:* Use longer-tenure appointments to mitigate the stress on clergy and, by extension, stress on the connection; encourage use of interim appointments.
- *A redefinition of the district superintendent's role:* Prioritize the district superintendent's supervisory role as someone who proactively coaches, provides feedback, and embodies and intentionally monitors clergy wellness.
- *Help for those exiting ordained ministry:* Providing career counseling, temporary health coverage and assistance with final moving expenses for clergy who no longer feel God's call to ordained ministry to make "a grace-filled exit." Staying in a vocation when it is no longer life-giving is detrimental to clergy health. It will be critical to ensure that this program for exiting ministry is not misused or abused.
 - The Voluntary Transition Program would begin in 2013 and sunset December 31, 2020. The program would be a shared responsibility between the annual conference and GBPHB, with the annual conference paying the health continuation coverage and the final move expenses.
 - Clergy accepting the Voluntary Transition Program must: be in full connection and in good standing; have served five or more years, but not be within two years of eligibility for retirement benefits (under ¶1358.2(b) or (c)); have agreement from conference leadership (i.e., DS, BOM, bishop) following a consultation and leadership review; surrender credentials (thereby severing the relationship with associated annual conference); and sign the Voluntary Transition Program agreement.

Some of these recommendations can be implemented immediately, including better mentoring of those in the provisional period, promotion of wellness programs for all clergy, encouragement of participation of covenant groups for all clergy and/or finding clergy mentors or accountability partners for those who need it, consideration of interim appointments, training of Staff-Parish Relations Committees to help them better understand the needs of clergy and their families, district superintendent training on monitoring clergy wellness, and discussions with those clergy who may feel the need from a "grace-filled exit" from the ministry.

Any potential issues surrounding the legal documentation of clergy with immigration concerns must also be addressed—if any. Such an incident could be deleterious to the Episcopal area. The conference could

solicit the help of Justice for Our Neighbors on this initiative. All information on appointed clergy must be reviewed to ensure proper salaries and benefits are being paid to all. That said, on a related front, it would be helpful in this instance to return to the future. That is, we hear great stories of the Church decades ago, when the Church helped people through the legal immigration process. These efforts must be resurrected or enhanced.

As a final opportunity, FACT recommends a succession plan for all key conference personnel (i.e. Margie Trafton, Oscar Garza and Richard Leggett, et al). Consider models used by other areas that share a bishop in order to consider sharing staff positions or even conferences who have recently unified or are in the process of consolidating. Succession planning is not just about planned retirements, but also unplanned losses of personnel. Succession planning involves knowledge transfer and helps build excellent talent—especially Hispanic, for the conference and connection.

Clergy Supervision and Role of the District Superintendent

Clergy supervision and other district superintendent (DS) roles could shift to SWTX DSs, particularly for churches within the SWTX geographic boundaries. To expect that two DSs can adequately cover a geographic area the size of RGC and do so cost-effectively seems a stretch. The numbers of churches and pastors would seem small enough that they could be absorbed by the current SWTX DSs without a huge increase in workload. For the churches outside the geography of SWTX, the solution is less clear. Possible approaches are:

- Retain one RGC DS to relate to pastors and congregations in other conferences. In areas where there are multiple RGC churches, designate one pastor as a “presiding elder” to have immediate supervisory and support duties for the other clergy in that vicinity.
- Through the bishops of the other conferences, arrange to have the DSs in those conferences take on the supervisory role for the RGC churches and pastors in their districts.

Pension and Health Benefits

FACT recommends establishing a long-term funding plan for all benefits, including health and pension that adequately meets the needs of those persons with pre-1982 service (an adequate past service rate along with an adequate contingent annuitant percentage could be established prior to a unification). Work with the benefits administrative staff to determine if all persons listed with credited service in pension plans belong to the RGC. Determine what funds are designated specifically to fund pension plans and which funds may be used for other benefit purposes or even purposes other than benefits.

Explore all options to provide affordable and sustainable health care choices for the active and retired clergy, spouses and lay staff of the annual conference, including using the Oklahoma/Oklahoma Indian Missionary Conference model of incorporating the clergy in another conference’s health plan to avoid the struggles of sustaining small plans. Establish that health insurance premiums are paid through salary reduction or health reimbursement accounts to ensure proper IRS code compliance.

In Closing...

It is critically important for all to know that in order to truly achieve a successful unification, each conference needs to honor its traditions and strengths that make this unification advantageous. However, maintaining the status quo in behavior and attitudes throughout this unification will not deliver the desired results. Going forward, a paradigm shift throughout the SAEA in behavior and attitudes is required; that is, “open hearts, minds and doors” to one another’s strengths and perspectives will allow the unification synergies to be fully captured and lasting.

In this report, FACT has taken many of the RGC findings and condensed them accordingly. As the RGC members embrace the recommendations, come to own them and work to realize them, FACT will continue to partner with the conference to provide additional information, counsel and support as appropriate.

FACT looks forward to continuing our partnership and helping to ultimately strengthen the RGC churches and members. Combined with the SWTX, “the power of two, working as one” will create synergies for the long-term sustainability of the SAEA, and will be a model of growth and vitality for the denomination!

Respectfully submitted for the long-term vitality of the SAEA, by helping to build disciples of Jesus Christ for the transformation of the world.

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