

DIVERGENT AND CONFLICTING MEANINGS OF CONGREGATIONAL DEVELOPMENT: A CASE STUDY OF AN URBAN PARISH IN TRANSITION

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The moral virtues are dispositions of character required to achieve goods internal to practices, but they are also in part constitutive of at least some of those goods. The excellences of the military life, for example, are those required not for the achievement of victory as such, but for the achievement of victory through courage, endurance, and the intellectual virtues exhibited in strategic and tactical skill. So Frederick the Great, who was more often defeated than victorious, is recognized as a better exemplar of the excellences of military life than are the generals who defeated him. In our society there is an important parallel in the case of games. Excellence at games, like excellence in the military life, is a matter not of the qualities required for victory as such, but for victory achieved through fairness, courage, endurance, and the exercise of relevant skills. It is then through the exercise of the moral virtues that individuals make their own the ends of practices and of organizations structured for the sake of the flourishing of practices. But, where the moral virtues are lacking, it is all too easy for organizational needs to distort both our understanding of particular practices and the practices themselves, so that, in the case of games, winning is presented a *the* goal rather than the kind of excellence that aims at winning, but may for a variety of reasons not achieve it (Alisdair MacIntyre 1996).

When Ed Beardsley was elected to the Vestry of Elm City's St. Thomas Episcopal Church, he looked forward to the opportunity to help lead a religious community that had become increasingly important in his life. Beardsley's children attended the Day School operated by the church. As an anchor institution in the neighborhood where Beardsley lived and served as neighborhood association president, the continued well-being of the parish was of particular concern to him.

Beardsley had grown up in the 1950s and had been baptized in the Episcopal church. But, in high school and college he had wandered through the more individualistic thickets of reformed Protestantism, for many years attending Quaker meetings before, as a young father, joining a small non-denominational congregation in which he sat on a number of boards. After moving to Elm City a decade earlier, he had

been searching for a new religious community. He joined St. Thomas more or less by default because of his children's attendance in its school.

Beardsley's spiritual pilgrimage was not at all atypical for members of the Baby Boom generation. Even if they had grown up in a particular religious tradition and had been strongly attached to a "home" church, education, social and geographical mobility, and the cataclysmic events of their lifetimes had led many to abandon traditional attachments to seek faith communities that reflected their new identities (on this, see Roof 1994 and Wuthnow 1998).

The Episcopalianism Beardsley found in the 1990s was very different from that of the 1950s. Though the Episcopal church of his childhood might have been somewhat grander than those of the Presbyterians and Methodists, their liturgies were virtually indistinguishable. The sermon, not the eucharist (which was administered only once a month – and only to people who had been confirmed) was at the center of Sunday services. All served solidly middle-class congregations -- congregations made up of families who attended church together, engaging the young in Sunday School, choir, and youth group activities, the fathers in church governance, and the mothers in various ladies auxiliaries.

The Episcopalians of the 1990s still worshipped in grand Gothic edifices. But there the resemblance to the 1950s ended. Reflecting the transformation of the city and neighborhood over the previous half century, St. Thomas's congregation, most of whom had once lived within walking distance of the church, now came largely from the suburbs; a quarter were African-American; at least half were single men and women. Few had been brought up as Episcopalians -- most had chosen membership as adults. A substantial proportion were former Catholics or members of other Protestant denominations attracted by St. Thomas's openness to gays and feminists (on the adaptation of congregations to demographic shifts, see Ammerman 1998)..

When Beardsley started attending St. Thomas, it was an aging congregation: more than half its members were over sixty. But its membership was beginning to shift, as increasing numbers of young adults and families joined.

Influenced by the liturgical and ecumenical movements of the 1960s and 1970s, the simple almost generic formulas of traditional Episcopalianism had been replaced by a liturgy that was almost indistinguishable from the Roman Catholics': incense, bells, and holy water were used on major religious holidays; Holy Week was celebrated with round the clock services and vigils, foot washing, and processing the stations of the cross. Communion was celebrated at every service. Anointing and the laying on of hands were part of every Sunday service. Clergy, liturgical assistants, and acolytes bowed, knelt, and genuflected (members of the congregation followed their consciences and inclinations: converts from Catholicism knelt to pray, those from the reformed tradition stood; the former Catholics genuflected, the reformed types did not). The minister, called the "rector" in his youth, was now called a "priest" and addressed as "Father" (on the transformation of Episcopalianism in the last decades of the twentieth century, see Holmes 1993).

St. Thomas's reflected the peculiar character of the Episcopal Church in the 1990s: on the one hand, drawn to highly formalized liturgy-centered worship; on the other, embracing the ordination of women and homosexuals. (The rector himself, a married man with grown children, had "outed himself" and divorced his wife early in his St. Thomas's pastorate).

Where the lay energies in the 1950s had been primarily invested in governance and youth-related activities, in the 1990s volunteer energies were drawn into liturgical activities, with members of the congregation singing in the choir and serving as liturgical assistants and lectors. As this happened, such traditional church groups as ushers, the altar guild, and the Vestry had to beg for participation.

Despite his Episcopal up-bringing, Beardsley counted himself as one of the many members of St. Thomas's who came to the Anglican communion (as it called itself) as an adult. He had left his youthful Episcopalianism before being confirmed. When he rejoined, he agreed to undergo this rite -- which was carried out with great ceremony during the Bishop's annual visitation.

Beardsley brought to the St. Thomas Vestry decades of experience of service on nonprofit boards: he had served on the boards of churches, museums, historical societies, civic groups, arts organizations, and professional associations -- and a member of municipal boards and commissions. He knew from experience the difference between good and bad governance, functional and dysfunctional boards.

Beardsley knew that the St. Thomas's Vestry was one of the latter. Having served on the St. Thomas's Day School Board of Managers, he had heard tales of the decades of tension between the church and the Day School -- groups that barely overlapped. (In fact, he hoped that, as a member of both groups he could help ease this tension). The congregation resented the Day School, believing that the children inflicted unnecessary wear and tear on church property and that the Day School did not pay its fair share of the cost of maintaining the property. The Day School believed that the languishing, aging congregation wanted the Day School to serve as a "cash cow." Long unrepaired leaks, waterstained walls, and crumbling plaster in the church were physical evidence of this organizational deadlock.

Through the Looking Glass

When he joined the Vestry, Beardsley asked Father Roy if it would be possible to obtain copy of the parish's by-laws. When the priest hesitated, Beardsley said he'd never served on a board where these weren't available to members. This was not an idle request. When on the Day School Board of Managers, he'd been mystified by the administrative relation of the school to the church. The Day School had been separately incorporated, but the managers served merely in an advisory capacity to "the Corporation."

It turned out, once the parish by-laws were in hand, that St. Thomas had a complex -- if not an incomprehensible --governance structure: neither the Day School Board of Managers nor the Vestry, it appeared, were boards of directors as the term is understood with reference to secular corporations (on multi-tiered governance structures in religious organizations, see Feeney 1998). While each was assigned responsibilities under the Canons of the church, beyond the role of the Vestry in hiring the rector, its function was primarily advisory. The actual corporation was the rector

himself, acting in the capacity of a "corporation sole" -- a legal vehicle of ancient lineage that invested a single individual to exercise corporate powers (on this, see Dane 1998). The Vestry might have stewardship responsibilities over church property, but the actual trustee of church property was the rector.

Superficially, the parish followed the forms of a membership corporation: every member of the church over the age of 18 could attend the annual parish meeting, elect the Vestry, and pass on the annual budget. The Vestry had the power to hire (but not fire) the rector and to enact motions on church affairs finances and administration. But real power belonged to the rector who, once hired, sat as presiding officer of the Vestry and had the power to appoint the members of all Vestry committees. The rector's powers were not unlimited, however. He was subject to the authority of the diocese, particularly in matters involving church property.

Complicating matters further was the Day School. Although formally instituted as a community ministry of the church and legally subject to the authority of the rector, the head of the school was granted considerable autonomy -- albeit informally -- in matters affecting the operation of the school. His professional judgment commanded respect -- though how much respect remained unclear.

Beardsley's request for a distribution and discussion of the by-laws set in motion changes in the Vestry's understanding of its role.

Financial Information and Management

The Vestry met monthly. At every meeting, the parish treasurer distributed a report that offered information on the church's revenues and expenditures and an analysis of whether it was meeting its budgetary projections.

Generally, the news was not good. Located in an academic community, turnover among younger members was high, making it difficult to predict from year to year what income from members' annual pledges (the largest single source of revenue) might be. The death of older members eroded St. Thomas's financial base (older people gave more than young families, who had school tuitions and mortgages to pay). Young

families also made demands on the church: they expected Sunday school programs, child-care, and youth groups at a time when volunteer labor to run these activities was hard to come by. Every report showed revenues falling further and further behind expenditures -- and there seemed to be no resources available to meet long-deferred capital costs of maintenance and repair. The Finance Committee was recommending cuts in programs and salaries from an already bare-bones budget.

Beardsley noticed that an item titled "endowment income" was the parish's second largest source of revenue, contributing some \$60,000 annually to the parish's \$250,000 annual budget. At one meeting early in his term, he asked if there was any reason why the Vestry wasn't being given fund balances -- information about the size and yield of endowment funds. The treasurer, a member of the Finance Committee, was annoyed. He said anyone was free to stop by the church office to look at the monthly reports of the bank that managed the funds but that it was too much trouble to duplicate them.

Evidently, the rector felt differently. The week before the next meeting, xerox copies of the bank statements were sent to every member of the Vestry -- a practice that continued for the rest of Beardsley's tenure.

Cy Pres

The bank statements were surprising. St. Thomas's, which seemed to be a struggling urban congregation in transition, had endowment funds totaling nearly three million dollars -- funds which were growing rapidly due to the stock market boom and the Finance Committee's extraordinarily conservative management, which restricted spending to dividends.

The availability of full information about the parish's finances called the Vestry's attention not only to the existence of previously unsuspected riches, but also to the role of the Finance Committee. Money was an awkward subject at St. Thomas, as in most congregations. For years, the congregation was been happy to leave financial management to the small group of parishioners willing to take it on (on congregation's discomfort with money questions, see Lynn 1994). As a result, the same people served

on the Finance Committee year after year, with only nominal accountability to the Vestry. Members had come to believe that they were a free-standing group that had the power to make decisions independently of the Vestry and the rector.

Once the Vestry's attention was called to the size and continuing rapid growth of the endowment, Beardsley and a number of other Vestry members wanted to know more about them. Under what terms had they been given? To what extent were their uses restricted?

The money consisted of several trusts established by a wealthy parishioner, Dr. C. Purdy Lindsley, who had made the church his residuary legatee in his will. When Dr. Lindsley died in the late 1930s, he gave the parish \$150,000 to construct a new church, his palatial house and its contents for use as a rectory, and a fund of \$100,000 "to be used for its upkeep and maintenance, including wages of servants employed by the Rector." He also made the parish his residuary legatee, directing that any funds remaining in his estate be used to establish an endowment whose income should be used for general purposes (Lindsley 1937)..

In the early 1980s, the newly hired Father Roy, suggesting that a thirty room mansion was more parsonage than he or any other future rector needed for housing, persuaded the Vestry to sell the house and to place the proceeds in a Rectory Fund -- the income of which would be used to defray the pastor's housing costs. The diocese agreed, the house was sold, and the fund established. At the time the Lindsley house was sold and the proceeds added to the Rectory Fund, the fund totaled \$200,000. By the time Beardsley joined the Vestry, it had grown to \$1,028,787 and was projected to total \$1.9 million by 2013 (Staffaroni 2001).. The General Fund totaled \$1,554,012. In addition, the parish held \$127,000 in restricted funds and owned an income producing residential property adjacent to the church worth more than a quarter million dollars.

Encouraged by Beardsley and a number of Vestry members with experience on other boards, Father Roy raised the question of whether the endowment could be making a greater contribution to the church's revenues. Since the size of Rectory Fund so much exceeded the rector's actual housing costs, couldn't some of its yield be used

for other purposes? And, Beardsley suggested, couldn't the Finance Committee adopt a less conservative spend out policy. After all, he suggested, this was a era in which stocks were more likely to yield profits through capital gains than dividends. It was common practice, he suggested, for endowment managers to consider the "total return" of funds -- to count profit as a combination of earned dividends and capital gains (Norris 2000; "Nonprofit Legislation" 2000).

The Finance Committee's response to these proposals was hostile. One member, whose annual donations comprised a tenth of the parish's annual pledge income, made it known that any change in the handling of the endowment would lead her to stop contributing. Other members of the congregation, stirred up by this individual, stated that they would bring legal action to prevent any redirection of the Rectory Fund. In addition, the Finance Committee initiated conversations and correspondence with the diocese and with a local commercial real estate firm.

When these actions came to light, the Rector, with the Vestry's approval, wrote a stern letter to the Finance Committee. The letter began by thanking the Committee for the "hard work and long hours" its members had devoted to the parish and recognized "their steadfastness and fortitude under what have been very difficult conditions in recent negotiations with the Day School for a 'fair share' financial agreement."

However, it is with great sadness and disappointment that we learned of the recent actions of the committee regarding its dissatisfaction with the Vestry's decision to broaden the use of the Rectory Fund, and the committee's apparent censure of the Rector.

We understand that in June, the Finance/Property Committee met in the business offices of Beazley Realty to hold private meetings regarding the Vestry's decision to initiate action regarding the Rectory Fund, that the committee summoned the Rector to such an "off-campus" meeting, and that further, the committee entered into unauthorized communication with Jack Spaeth of the Diocese of Connecticut to ask his help in securing a mediator to reestablish relationships between the Rector and the Committee. These actions are puzzling to the Vestry and represent what is perhaps an inadvertent misunderstanding of the appropriate lines of authority within the parish as structured by the Episcopal Church.

The Vestry reminds members of the Finance/Property Committee that except for specific areas appropriate to the Parish as a whole, the property and all business affairs are subject to the direction, management, and control of the Vestry. The Finance/Property Committee is but one committee appointed by, and charged to

report to, the Vestry. All recommendations voted by the Finance/Property Committee must be brought to the Vestry for discussion and subsequent action, and under no circumstance is the committee to initiate independent actions. The Vestry reminds the Finance/Property Committee that each of its members was given ample opportunity to voice his/her opinion on the change of the Rectory Fund at an open Vestry meeting, and that such a change was the will of the Vestry and in no way the independent action of the Rector (Vestry 2000).

Finance/Property Committee members responded to this letter by resigning *en masse*. The Rector appointed a new committee, with the majority of members drawn from the current Vestry. Members of the old committee made their unhappiness abundantly clear, pledging to withhold further financial contributions to the church and to initiate legal action to prevent the reallocation of the Rectory Fund.

As luck would have it, one of the members of the Vestry, Ben Dickens, was a member of the university law school faculty and a leading authority on the law of trusts. Taking cognizance of Connecticut's liberal construction of charities law, he suggested that in the instance of the Rectory Fund, which the church itself had created from the proceeds of the sale of Dr. Lindsley's mansion, no recourse to the courts would be necessary if the Vestry determined to apply some portion of its income to other purposes. Although the Vestry wanted to avoid the expense of a *cy pres* hearing before the local judge of probate, Father Roy decided that – expensive as going to court might be -- having the its authority behind the Vestry's actions would undercut the dissidents' charges that he and the Vestry were behaving irresponsibly.

When the Vestry brought its petition to the probate court, former members of the Finance Committee were there to file a brief opposing it. Though they lacked legal standing to bring action to prevent the proposed change -- since none of its members were current members of the Vestry -- it asked to be heard as an interested party – a motion that the judge granted.

The Finance Committees "Memorandum of Interveners" was a document with a chip on its shoulder. It began by challenging the authority of the Vestry:

It is not at all clear that the current Vestry speaks for the church. It was "elected" at a meeting held during one of the most severe snowstorms of last year. Upon information and belief, there was no quorum at that meeting, and so the elections may not have been valid (Legenhausen 2001).

While the memorandum went on to support the Vestry's contention that the Rectory Fund had outgrown its original purposes and the proposal that its surplus could be devoted to the general purposes of the Parish, it proposed to restrict the discretion of the Vestry. The Finance Committee wanted the court to mandate a very conservative payout rule – one that would assure the continuing growth of the fund, regardless of the extent of the Parish's other needs. It also requested that Rectory Fund surpluses, rather than being treated as income which could be spent for current needs, should be added to the principal of the General Fund.

Quite clearly, the old Finance Committee had viewed financial growth as an end in itself -- and as one that took precedence over maintaining services that could attract and hold new members – especially the young families who were becoming an ever larger presence in the life of the Parish.

Converging Issues

For the first two years of Beardsley's three-year term, the struggle between the Vestry, the Finance Committee, and the Day School over the allocation of financial responsibility for upkeep of the buildings they shared, had continued fiercely but fruitlessly. An obvious solution would have been to treat the school as a tenant and to have it pay a rental fee determined by standard formulas. The Vestry was uncomfortable with the idea of treating a ministry as a tenant.

An unspoken subtext to the conflict was the desire of the Finance Committee to use the Day School as a cash cow – desiring a settlement that would wring from it an annual payment to the Parish sufficient to pay for capital improvements. This would enable the Parish to avoid the necessity of invading its endowment.

Experts were retained to survey and analyze the ways in which congregation and school used the property. The Finance Committee balked at their figures, claiming that the church could not afford to pay the proportion of costs suggested by the experts.

It seemed clear to Beardsley that the Finance Committee was the major obstacle to an agreement -- and that the basis of its objections to the various proposals was

motivated not only by its desire to protect the endowment at all costs, but also with symbolic issues having to do with the continuing transformation of parish demographics.

Church membership was becoming younger and younger. An extraordinarily energetic Day School chaplain -- who also ran the Sunday School and the junior youth group -- had brought more than a dozen young families into the congregation. In a single year, half a dozen Day School sixth graders had asked to be baptized into the church. They became the core of an active senior youth group whose members took over acolyting tasks that had been carried out in the past by older parishioners.

The Finance Committee made no secret of its unhappiness with these developments. It questioned the payment of salaries (albeit very modest ones) to the chaplain and seminarians who ran the youth groups. They questioned the hiring of a property manager to oversee maintenance of church and Day School properties. All these things used to be done by volunteers, the Committee declared -- and should be in the future.

The absurdity of this contention was obvious. In the old days, there had been no Day School. The church was not host to other groups -- AA, the Connecticut Gay Men's Chorus, the Alliance Francaise, and private events such as wedding parties. Years earlier, young wives and mothers had nothing better to do than volunteer -- now many of them were academics and professionals whose busy lives precluded extensive volunteer commitments.

Towards the end of Beardley's second year, the Finance Committee sent a letter to church staff announcing imminent reductions in salaries and in the number of staff. The Vestry only learned about the letter when it began receiving phone calls from distressed and angry staff.

At the next Vestry meeting, Beardsley called attention to the inappropriateness of one of the board's own committees enunciating policy and communicating with staff without going through either the Vestry or the rector. "The Finance Committee," fellow

Vestry member Dickens declared, "is a committee of the board -- not a law unto itself" -- reminding Father Roy of the fact that, under Canon Law, he possessed the power to name – and to replace -- members of all parish committees.

At this point the Vestry decided to issue a policy statement about parish governance structure, reiterating the position that all committees were committees of the Vestry and accountable to it and affirming Father Roy's authority over the Vestry and committees. On receiving this communication, the Finance Committee resigned muttering threats of legal action against the Vestry.

Law professor Dickens assured the Vestry that it had nothing to fear on this front. None of the members of the Finance Committee were on the Vestry -- which meant that they lacked legal standing to litigate against the parish or its officers and directors. (Under American charities law, only the state attorney general and board members had standing to initiate litigation against a charitable corporation).

Father Roy appointed a new Finance Committee. The new members were people like Beardsley and Dickens -- middle-aged professionals with expertise in law, business, and corporate governance. They immediately formed a joint task force with members of the Day School Board of Managers. Operating without hidden agendas, they were able to come to a property cost allocation agreement in months -- helped along by a full information about the actual extent of the parish's financial resources.

At this point, the probate court, which had been pondering the Parish's *cy pres* petition, announced that it was ready to pronounce a decision. The Vestry and the former members of the Finance Committee sat uneasily together in the small waiting room while lawyers for the two groups conferred nearby. The lawyers went into the judge's chambers together. After a few minutes, the door of the courtroom opened and the two groups were invited in. The judge read told them that his decision was based on an agreement between the two attorneys. The court favored the Vestry's proposal to use, at its discretion, surpluses from the Rectory Fund to be spent as current income (rather than being added to the principal of the General Fund, as the interveners had requested). The court sided with the interveners proposal for a conservative payout

rate of 5%. This was half of what the state's Principal and Income Act permitted, but was generally considered by most authorities to be a prudent level of expenditure (Council on Foundations 199_; Not-for-Profit Spending Policy 1997). The court concluded by ruling that a suitable memorial calling attention to Dr. Lindsley's generosity should be prominently placed in the church.

Since the question was never raised, the court did not address the question of whether capital gains could be treated as income. This had been an issue in the course of the struggle between the Vestry and the Finance Committee, but – for strategic reasons – the latter had chosen not to include it in its brief to the probate court. The interveners knew that both Connecticut and federal law permitted this practice, so it was unlikely that the court would rule in their favor on it. They evidently hoped that if they could carry the day on the larger issues of the proposed diversion of the Rectory Fund and payout rates, the question of what constituted income would take care of itself. This was an important point since, if capital gains were counted as income along with dividends, the amount of surplus funds available for the general purposes of the parish would be considerably increased.

After the judge announced his ruling, both sides parted amicably, each believing that their position had carried the day. The reality was that the interveners had won a symbolic victory, but, in terms of establishing its authority, the Vestry had gotten everything it wanted. This became apparent at a special Vestry meeting, called a few days later to discuss the court's decision:

After much discussion, the following was moved, seconded, and passed unanimously. The Vestry reaffirms that all standing committees are committees of the Vestry. The Vestry appoints the membership of each committee and sets the scope of its work. Committees are to make monthly reports to the Vestry. Committee members should serve staggered terms (Minutes 2001).

The language of this motion, drafted by Beardsley and Dickens, had come from one of the standard reference works on nonprofits, Howard Oleck's *Nonprofit Corporations, Organizations, and Associations* (1994). Once again, Vestry members with board experience were using "best practice" materials from secular organizations to transform the way the parish was governed.

With lines of authority and committee structure reformed, settlement of the parish's financial relationship with the Day School followed in short order. To facilitate this process, Joan Robbins, a member of the vestry who was a member of the faculty of a nearby seminary, suggested that they contact James Lemler, an Episcopal priest and governance scholar, whose midwestern parish operated one of the largest Day Schools in the country. She shared with the vestry Lemler's pamphlet, *Trustee Education and the Congregational Board: A Reflection on Leadership in the Community of Faith* (1993). Having had a chance to read the pamphlet, the Vestry voted at its next meeting to invite Father Lemler to help it think through its relationship to the Day School.

Liturgizing Governance

Lemler's visit to St. Thomas's, which occurred six months later, was preceded by some significant changes, initiated by Father Roy, in the format of Vestry meetings. In the past, meetings had taken place in the church lounge and had meandered, often without an agenda, until everyone was too tired to continue. When the conflict with the Finance Committee came to a head, Father Roy started the practice of beginning each meeting with a prayer and scripture reading, followed by discussion of the passage. The meeting would then move on through a well-structured agenda, through which it moved in business-like fashion. Because the committee structure had become functional, protracted discussions that used to take place in Vestry meetings took place in separate committee meetings. When the Vestry met, the committees presented their reports and recommendations, which were usually acted on with little discussion.

As time passed, the prayer and scripture reading became more formalized. Vestry meetings began in the church proper, where Father Roy conducted a full evening prayer service. The Vestry would then adjourn to the lounge for its business meeting.

All this was consistent with the approach to governance that Father Lemler outlined during his visit. While highlighting best practices that significantly resembled those of secular nonprofits, they were framed by the distinctively religious mission of the church. Lemler began by initiating a conversation about communication – and the ways in which members of religious communities should communicate with one

another. His “suggested communications guidelines” operationalized the credo of loving one’s neighbor in organizational settings:

- R** Take RESPONSIBILITY for what you say and feel without blaming others and use “I” messages.
- E** EMPHATIC listening, allowing others to complete statements before beginning one’s own.
- S** Be SENSITIVE to differences in communication styles and to the diversity of the group
- P** PONDER what you hear and feel before you speak, waiting to speak until recognized by the chair.
- E** EXAMINE your own assumptions and perceptions.
- C** Keep CONFIDENTIALITY.
- T** TOLERATE ambiguity, because we are NOT here to debate who is right or wrong.

Lemler went on to teach the vestry how to “read the context” – how to examine themselves and the parish to discern its values and traditions. He then showed how these insights could be woven into how the parish did its business – as well as pointing to potential sources of “assistance and resistance” during this process. Having done this, Lemler outlined the goals that the Vestry should have as it sought to transform itself:

- To assist school and parish leaders in their communication
- To understand more about the context and mission of the parish and school
- To consider the dynamics of leadership that foster mission effectiveness
- To examine ways of moving into the future for both institutions with collaboration and mutuality
- To assist the church and school in their effort to develop a fair share financial agreement

Lemler’s presentation made explicit what Father Roy’s liturgizing of Vestry meetings had, perhaps, been implying: that responsible governance had to be infused

with core religious values and that the parish's mission had to permeate every aspect of its activities: how it structured itself, made decisions, provided services, engaged with the community, related to other organizations. Lemler added an additional dimension, spiritualizing the practice of parish leadership by calling on the Vestry to consider its work as a ministry and teaching it to use the spiritual disciplines of prayer, meditation, self-examination, and discernment to its deliberations deliberating decisions. The extent to which the parish could enact its mission – not the size of its endowment – would become the yardstick for measuring its progress.

Shortly after Lemler's visit, the vestry invited the congregation to participate in drafting a mission statement for the parish. After several months of work, the following was adopted as St. Thomas's mission statement:

Sealed in Baptism as Christ's own forever, we believe that the Holy Spirit is guiding our mission and ministry. Therefore we state the following to be the mission of our parish:

To nurture all people with dignity, enabling them to grow in faith through prayer, worship, education, and community service.

To actively affirm our diversity while recognizing our unity as one body in Christ.

By this mission statement, we strive to become loving stewards of God's creation.

While this process was unfolding, the newly reconstituted Finance/Property Committee returned to the task of negotiating a fair share agreement with the Day School. The Day School committee with which it met was also a transformed group. Members of the Day School Board of Managers had been working with a consultant from the National Association of Episcopal Schools who had taught lessons not dissimilar to those to which the Vestry had been exposed. Whether this had anything to do with the head of the Day School joining the church – or parents with religious training joining the negotiating committee – is anyone's guess. Whatever the case, both groups had a far firmer grasp on the notion of the Day School as a ministry and that, in turn, seemed to give them a shared language and set of concepts that established the parish's religious mission as the basic guideline for their task rather than financial optimization.

The spirit of the negotiation was reflected in the Financial Agreement that the joint committee offered to the Vestry. It began with this preamble:

Trust. . .

. . . is both noun and verb. As a noun, trust refers to the process of guardianship, as we “hold in trust” some special obligation to which we are deeply committed. As a verb, it refers to possessing confidence, as a leap of faith reveals trust in the presence and protection of the Almighty.

This is a document of many principles, and many specific applications of those principles. It sets out an arrangement of mutual obligations, with the aim to enumerate what both of us is due the other.

While both Vestry and School Board have invested many hours to reach this accord, the collection of compromises and collaborations entailed herein is, of itself, inadequate to accomplish our goals. Success depends upon our embrace of a simple truth: we must learn to hold each other in trust, as we strive ourselves to be trustworthy in our words and deeds.

We are one boat. We will choose to row in harmony, or we will surely founder (St. Thomas’s Church and Day School 2001).

The document went on to review the history of the agreement and the previous church-school financial arrangement (what Lemler would have called reading the context’), and then got down to the nuts and bolts of allocating decision making authority and financial responsibility. Despite (or perhaps because) of its spiritual framing, the document dealt with financial and managerial issues with extraordinary candor and sophistication. The document dealt not only with short-term issues of financial responsibility, but also along-term ones of maintenance and capital improvements.

Beardsley Reflects

As Beardsley watched with pleasure and surprise the outcome of this negotiation, he reflected on his own role in the process. He had joined the Vestry – as had several others – intending to bring their secular expertise about nonprofit governance and management to bear on the task of revitalizing the congregation. Their efforts did seem to yield positive outcomes at certain crucial junctures – as when he requested that Father Roy distribute copies of the parish by-laws to the Vestry and when he asked the Treasurer to provide the Vestry with information about the endowment. But those interventions served merely as fuel for a more comprehensive process.

It seemed that at least three distinctly different visions of congregational development had been in play during his term on the Vestry. The one embraced by the Finance Committee stressed financial outcomes -- though these were really a cover for their desire to keep the church from changing by blocking financial support for youth ministry and other services that would attract new and younger members. This was not an unknown model for old urban churches to follow. The city's oldest congregation, the First Society, had a beautiful building and huge endowments -- but no congregation to speak of. For all practical purposes it had become a body of money which maintained an historic building. Within that framework it was outstandingly successful.

The second vision was the one embraced by the "new guard" on the Vestry, among which Beardsley counted himself -- middle-aged professionals who brought organizational expertise to the board and who defined success in terms of managerial acumen, sophisticated financial management, and responsiveness to the religious marketplace in the form of supporting services that would attract and hold new members (on the role of these middle-aged professionals in nonprofit organizations, see Wood 1989). While the spiritual dimension was personally important to Beardsley and his colleagues, they didn't think of it as having much to do with the engaging task of making the church a going concern.

The third vision of congregational development was the one embraced by Father Roy: he was interested in the quality of the spiritual and devotional life of the congregation. This was measured not by numbers or by dollars, but by the experience of worship and movement through the church's devotional calendar. The priest was initially suspicious of Beardsley's motives. Even though the congregation's Old Guard hardly made Father Roy's life easy, his commitment to the spiritual dimension of congregational life seemed more consistent with its efforts to maintain St. Thomas's financial integrity than with the New Guard's desire to professionalize church management and to attract new members.

It wasn't clear to Beardsley what had inclined Father Roy to ultimately cast his lot with the New Guard. Very likely the un-Christian hostility of the old Finance

Committee played a role, particularly its challenge to the Rector's authority when they went behind his back to the diocese in the midst of the debate over the disposition of the Rectory Fund. The efforts of former committee members as individuals to stir up dissent in the congregation surely made it clear to the Rector that his best allies were the New Guard – even though he had his doubts about the value of their expertise.

What made it possible for Father Roy to fully commit himself to the possibility of change, however, was the existence of a body of expertise outside the parish that was both spiritually and managerially informed. Father Lemler and the National Association of Episcopal Schools offered a way between the extremes represented by the Old and New Guards in the congregation. This way that not only reconciled the Rector's spiritual goals with the New Guard's managerial ones, but, in spiritualizing the process of leadership and governance, enabled him to make best use of his own expertise as a spiritual leader while allowing the New Guard to reform management of the Parish in ways consistent with the parish's spiritual goals, while also serving as an arena for spiritual development. For Beardsley, this meant shifting his own spiritual sensibilities from the private world of his own thoughts and feelings into the public arena of church life and leadership.

Beardsley supposed that the liturgical emphasis of the new Episcopalianism had a lot to do with this shift. When he first joined St. Thomas's after decades of worshipping in the more austere reaches of reformed Protestantism, he had been inclined to dismiss St. Thomas's liturgy as "bells and smells" that smacked of "popish mummerly." Gradually he came to see that the intensive involvement of the congregation in the service as acolytes, liturgical assistant, as lectors, and ushers, and members of the choir as participants rather than spectators transformed the congregation into a genuinely spiritual community (on this, see Gilkey 1994) while shifting the private experience of spirituality into a public one (on this see Marty 1994). Framing the tasks of deliberating and governing the parish as a ministry and integrating worship and decision making, as Father Roy had done, was, it seemed to Beardsley, an expansion of the liturgy to include what had been considered mundane tasks only tangentially related to the devotional life of the parish. Most importantly, operationalizing Christian love as a part of the governance task carried the religious and spiritual teaching of the church into the

personal and institutional relationships of the parish's leaders (on this, see Jeavons 1998).

We've all changed, Beardsley thought as he contemplated the three years he had committed to serving on the Vestry.

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