

Transcript: Board of Trustees Forum with UUA Presidential Candidates Laurel Hallman and Peter Morales.

Recorded on January 15, 2009 at UUA Headquarters, Boston, Massachusetts.

Paul Rickter: I want to welcome everyone here to this UUA Presidential Candidates' Forum with the UUA Board of Trustees. We are gathered here on Thursday, January 15, 2009. It's a cold night in Boston. We're gathered here at Eliot Chapel at 25 Beacon Street, Boston. I am Paul Rickter, UUA Secretary, and I'm here welcoming you and I'm welcoming our two candidates for UUA President. They are the Reverend Laurel Hallman and the Reverend Peter Morales.

In preparation for this forum, I gathered questions from members of the Board of Trustees. I gathered 33 questions. We're not going to have time, in 90 minutes, to cover all 33 of those questions, but we thought we'd take a little bit of a different approach with this forum. And we're dividing it up into five segments that will each be about 15 minutes, perhaps a little longer as is needed to wrap up the conversation of those five segments. Each of those five segments will have a moderator who will be asking each of you questions and engaging in conversation, trying to have it more of a conversation than simply lobbing questions back and forth between the moderator and the candidates.

The five segments we picked are Policy Governance Transition, which will be moderated by John Blevins; Board-President Relationship, which will be moderated by Will Saunders; Finance, which will be moderated by Dan Brody; Administration, which will be moderated by Jackie Shanti, and UU Polity, which will be moderated by Eva Marx. So, to begin, I introduce John Blevins to talk about Policy Governance Transition.

[SEGMENT ONE – Policy Governance Transition]

John Blevins: Thank you, Paul. And welcome. Glad to have you with us.

BLEVINS: Well, obviously, you know, at this point, we're deep into a transition to policy governance, a big change, a cultural change for the organization. From your perspective, what are the opportunities that you see in front of us in this transition? Even what excites you, perhaps, about the opportunities that lay before us? And I don't know -- how do we want to do this? Who wants to go first?

HALLMAN: I'll go first.

BLEVINS: Laurel, OK.

HALLMAN: Having made this transition, having spent several years at making this transition and working in policy governance, I can see the light at the end of the tunnel and it's not a train. *[laughter]* The opportunities are quite wonderful in this process. It may be hard to see it when you're in the middle, but what I've experienced is that the people -- first of all, your responsibilities are very defined. So

you know what it is you should do and what are, how you can find out if you are doing it. The responsibilities and accountabilities are very clear. It clears a lot of the muddiness that I think we've been experiencing lately. That will settle.

It also frees people up to spread out the leadership and the responsibility. So one group of people doesn't have to know everything all the time. It's hard to let go of sometimes, but it opens up the leadership to broadly understood and carried, so there will be fewer people with all of the responsibility, more people with some of it, but they'll all be aligned.

And, thirdly, there is a structure of trust that builds in this process that's quite important. It's the faith side of this process. We learned, because you have accountabilities that are built in, you evaluate on the basis of what you've already decided to evaluate on; you can then build the trust relationships that you need to build between and among the people. There are many more liberating things about it, but I think that's a start.

BLEVINS: Thank you. Peter.

Peter Morales: I think the core advantage is the opportunity to be much more effective in achieving those ends that we've agreed upon. I believe that we're a religious culture luckily, thankfully, that does not have deep disagreements about ends. I mean, I sometimes joke that we have no faction arguing for shrinking our faith and for becoming increasingly irrelevant in the world. *[laughter]*

I mean, and we don't have, and nor do we have, these awful things that divide other people. There is really broad, and I think we've seen it in the last couple days, that what is good if we use the tool well is that we can focus, we can have clarity, we can have a level of accountability and measurement that we've never seen before in our operations. But all of those are a means toward accomplishing those things we want to do about growing our faith and becoming much more effective in affecting the world around us.

BLEVINS: Thank you. Well, we've only had a chance to talk briefly about the actual transition that will be happening as one of you joins us this summer. On top of that transition that we'll be in the midst of, what do you ... where does your uneasiness lie in this transition? Where do we need to be paying attention with you to get through rough spots that you might anticipate from your experience?

HALLMAN: There are two, I would point out two things, places, where we might run into some issues. One would be getting lost in the weeds. *[laughter]* Forgetting the goals, forgetting the larger picture in the process of making ends language. And it's easy. You can, today, we struggled with that, don't get lost in the weeds and, yet, you've got to form the language. That's one difficulty that I could see.

The second would be not fully implementing but doing a kind of pseudo-policy governance and not taking the final leap of trust to figure out that we won't know everything all the time and that we will have to put on paper what we want and figure out ways to find out whether that's happening. That won't be quite so easy. And that we'll have some fear and won't fully implement. That I would be worried about.

And I have another one, and that is that we won't connect our expectations with our evaluations so that, and I've seen this happen, where we'll come in behind and say "oh, you shouldn't have done that" when, in fact, it was never said that you shouldn't, that wasn't made a limitation. So that our, we have alignment of what we're expecting and what is being done. That, when that gets out of kilter, it causes problems.

BLEVINS: Thank you. Peter.

MORALES: Let me talk about concerns in two areas. One is from the side of the Board and the other one is from the side of the President. I think the Board needs to steer between what I call pure poetry and meddling. *[laughter]* On the one level, ends can be so vague and poetic that they're hard to translate into something that's practical. And yet, just as you were a couple of hours ago discussing, the other side is that if they get too detailed and too prescriptive they become a constraint rather than something that releases energy. That's the danger that I think the Board has to steer between.

On the other side, one of the ones, during the transition as opposed to the longer-term implementation, I think there's a danger that the reporting can get so cumbersome and so detailed that it ends up sucking energy away from accomplishing the ends because you're spending so much energy in preparing elaborate and detailed reports to wow the Board and who is doing the evaluation. So there has to be expectations that are clear around what is enough information, what's enough detail. And that gets, the administrative part of that is making it really clear down through the organization about what's needed in terms of that evaluation. And a little piece of that is there's always a danger that we will measure what's easy to measure instead of measuring what's important. Because certain kinds of measures that are statistical that you get, you can fall in love with, even though they're not particularly powerful indicators of anything. Or you ... public education is a wonderful example of this. Of course, kids should to learn to read and do algorithms, but if you focus on that so much you corrupt the curriculum. You start sucking energy away from those things that are much more difficult to evaluate around creativity and critical thinking skills. I don't want that kind of pattern to move into the association.

HALLMAN: Can I just respond just to one thing?

BLEVINS: Oh, sure. Yeah.

HALLMAN: Just to respond to that. One of the difficulties, I realized when Peter was speaking, is one of the difficulties is the use of metaphor. Because we are a religious organization we speak metaphorically. And one of the difficulties is interpreting whether a metaphor is actually carrying deep truth or is too abstract. And we ... it's a constant issue that I think we have to attend to... we are somewhat metaphor-shy because often traditional religious language is metaphorical. And so we're a little shy about some of the metaphors that are in common usage. Using metaphorical language as in an end statement is very important, and we have to be very clear about the depth dimension of the metaphorical language in our end statements and how we can possibly measure that. It's a difficulty in this particular system.

BLEVINS: I must ask, is this something you were able to accomplish in your Dallas congregation, to build that metaphorical language in? I'm not, I'd love to see an example, but can you ...

HALLMAN: Yeah, and I would love to be able to give you one. *[laughter]* We work at it. When you talk about the life of with the holy that you're being metaphorical. You do it all the time.

BLEVINS: OK.

HALLMAN: And you've done it all the time here.

BLEVINS: OK.

HALLMAN: It's just that, it's just to speak to the fact that we are dealing in metaphors and they have the potential for being too abstract, but they also have the potential for carrying deep truth and we just need to be aware of that.

BLEVINS: To know the difference, OK. Thanks.

I'm going to dive into policy governance a bit and almost metaphorically. *[laughter]* Not really, but John Carver and his principles, for example, raises the question should you have, what kind of a committee should you have? And, in particular, do you need a finance committee? Is that taking away the ability of the Board to speak with one voice, as is called for in the principles, to have a committee such as the finance committee? We have one. Our current thinking is we'll continue that for a while as we learn more. I would appreciate your insights in thinking about the role of a committee such as the finance committee in this model we're moving into. And, Peter, I'll let you tackle this one first.

MORALES: I'll tackle it, and it's similar, because a lot of these things are going to come up, and they do all the time. I've become a great believer in that it's very difficult to anticipate that in any detail, in any nuance. So what you do is you launch in and make corrections along the way. In other words, I don't know how well

having a finance committee is going to work, whether it's going to seem cumbersome, or out of synch. But, if it does, you don't keep doing it forever. You don't keep doing it for three or four years after you realize it's not effective. So it's going to be important, and I want to be careful here because that's really the Board's and not the President's, for the Board to evaluate its own processes in an ongoing way and just take that pulse, you know, are we OK with that? What is another alternative to look at other possibilities and explore those?

HALLMAN: I feel strongly that we should not have a finance committee. My experience is we do not have a finance committee. I know this is a different thing we're doing here. And I would also say what, let's write down exactly what the functions of the finance committee are and see where those functions would go between administration and the President's staff side. But, in the end, I believe that we ... that the finance committee is considered a monitoring committee. That's really what we're trying to do is get a handle on what's really happening. And, if our monitors ... monitoring goals and processes are well done, I don't believe we'd need a finance committee. I can say more about that in some of the processes that are handled by the finance committee, but basically that would be my answer.

BLEVINS: I suspect the finance committee would love to have a deeper conversation about that because we're wrestling with it, too. But --

HALLMAN: Yeah, I would like to have that conversation.

BELVINS: Moving on, there's this process of the Board writing the ends. The President then interpreting those to turn them into "What does that mean to me, how do I act on it and how do I report to the Board?" Talk to me about how you see that process, how you would approach that, how do we make it work most successfully to build that trust relationship? And who would like to take this one first.

HALLMAN: I'll go ahead.

BLEVINS: OK.

HALLMAN: The Board work is the Board work and the work of the President and the staff is the work of the President and the staff, and there is one line between them and, if you look at an org chart in this kind of governance. And so I want to be clear that I understand that. And, at the same time, all of my career I've been collaborative. And so I wouldn't expect that the Board would come up with ends that were a big surprise to me. If it were handed to me it would be a big surprise. I would expect that there would be back and forth discussion and understanding among us so that the ends language and then the implementation of it would be pretty much known. That's what the collaborative part is. That there is an informative process that goes on that helps us talk to each other about what we're doing and figure out where the bumps are before we solidify them or pass them into stone. So the process is collaborative, the lines of accountability are very, very clear.

BLEVINS: OK. Thanks.

MORALES: In terms of the interpretation, I think several things would need to be done. It's important that that go fairly deep into the organization in the response. That, for example, if we're talking about being more multicultural, it is critical within the UUA as an organization, the staff, that input on that come from different places, especially IDBM, for example.

That accomplishes several things. You very quickly communicate, well, all through the organization that the description and response to these things is important and people know what they are so they get tuned in right away. And then those are vetted, refined, along the way. So that's that part. And then later on it's a process of dialogue.

I really worry much more not about ending up with those statements because, in fact, I really believe, as I look at these and having worked at the senior staff level, you know, just the work that's been done already, the ends that you're creating now, to the extent that you've created them, would have been the same four years ago or six or seven years ago with very little difference because they're very consistent, what we want as an organization. I think that our real challenge is about being effective in realizing those. That's what critical for us. We've wanted to be, to grow and to be more diverse and to have more of an impact in the world and social justice forever. Our challenge is really to get our act together and to release the idealism and the passion that is there in our movement and to remove barriers.

BLEVINS: So I think that I'm hearing that you see this process of interpretation, formerly called, and driving that deep down into the staff will let us get much crisper about expectations.

MORALES: Well, especially when those are linked with measurements, sure.

BLEVINS: OK.

MORALES: And milestones. That's what makes an organization move.

BLEVINS: OK.

HALLMAN: Let me --

MORALES: And when there are consequences along the way.

BLEVINS: OK.

HALLMAN: Let me add that when there's clarity of a relationship between the Board and the administration, parenthesis, President, when there is alignment that

releases a great deal of energy, and so you would get a lot more energy and clarity all the way down the system if the alignment between the Board and the President was clear and crisp.

MORALES: I don't want to make too much of this, I don't want to be artificial, but I think there's a distinction here that I do want to draw attention to, that that alignment is necessary but not sufficient. You still need the administrative and management acumen to turn that into effective action and to measure whether that's getting done. I mean I know congregations that are using congregational polity that are thriving and others that are using it that are struggling. It is not, it can be a very important tool but it doesn't, it's not automatic. That clarity about the ends doesn't accomplish the ends.

HALLMAN: I would agree.

RICKTER: Thank you, John, for moderating that. That was a wonderful segment.

[END OF SEGMENT ONE]

[BEGINNING OF SEGMENT TWO – Board of Trustees-President Relationship]

RICKTER: We are now going on to talk about Board-President Relationship. And our moderator for that segment will be Will Saunders.

Will Saunders: Thank you. I would like to encourage the conversational nature of this interaction, so feel free to interrupt each other. *[laughter]*

MORALES: What would my mother say?

SAUNDERS: Let's not go there. Let's not go there. But I want to build upon the conversation that John initiated around policy governance and focus more intently on Board-President Relationship. And the first question or the first issue for conversation, in policy governance the President or CEO is responsible to and accountable to the Board. The Board establishes the organization's vision and the President implements the vision within certain boundaries or executive limitations. Established by the Board at the same time, the President runs on a platform, also known as a vision, which may vary from that of the Board. The President is elected by delegates from the congregation and may feel primary accountability and responsibility to congregations. Thus, there is a potential for conflict. How do you propose to navigate this issue?

MORALES: I honestly believe, and I don't think I'd be running for president if I didn't believe this, that those differences, as I mentioned before, are not going to be major. They're simply not. We agree, at a very deep level, about where we want our Association to go. We might have little disagreements in the detail, but the first several levels of cut, there's broad consensus among us.

I think that, to the extent that there is a difference, if the Board has a set of ends and there's a somewhat different take by someone running for president and that person wins that's a rich area for conversation, isn't it? Because those are people who are owners who have said they're supporting a vision, especially to the extent that an election is not about personalities but is about vision. So if I were on the Board, and I've been there, I've sat in your seat, I would ask myself well, "we've got to get clear on that because I thought it was this, but people just said they wanted something... this, so what's common in there?" I really don't think that's going to be a huge issue for us. I don't.

SAUNDERS: And you may well be right. But if it is ...not a huge issue, but even a ... modest issue --

MORALES: OK.

SAUNDERS: ...then how do we navigate that?

MORALES: We talk.

HALLMAN: Carver says that, especially among the Board, if you don't have conflict, now I know this isn't quite what you're saying, but if you don't have conflict on the Board you're not at the edge of your values.

So that you need to move out into the areas where you do have conflict because then those are the areas that are the front edge of your work. So I would assume that there also might be some disagreement about the values between the President and the Board or the same kind of spirit where I feel that because of what I'm doing as a president, I'm discovering that there are certain cutting edges and we have some difficulty about that. That's rich. That's a rich place to be.

If we're veering off in completely two different directions or, more commonly the President begins to implement and the Board says "That's not what we meant," which happens, then you come back and you hammer that out, you hammer out what you really meant. It helps to clarify, the Board to clarify. So this is a constant process of clarifying both values and implementation strategies. I would consider that the yeast of being in this way of governing.

SAUNDERS: So it sounds like you're suggesting that the work of the Board is precisely constant clarification and re-clarification.

HALLMAN: Yes.

MORALES: And we're also bumping --

HALLMAN: Of ends.

SAUNDERS: Of ends.

MORALES: I think we're also bumping up against here some of the limits of implementing a model that's designed for the UUSC or the Red Cross or Planned Parenthood where there is a Board of Directors who hires a CEO.

SAUNDERS: Exactly.

MORALES: And a model that is quite different where people are electing the CEO and also choosing the Board. I mean, the model we have is actually much closer to, and no doubt was informed by, our national political tradition where you have a president almost kind of like a legislature, that's what's behind it. So what we have is not classic. And so it's going to take some tweaking over time.

SAUNDERS: Thank you. Thank you. Each of you has identified areas in our association that need to change. I would invite you to choose one specific area and explain how you see the Board and the President working together to make that change happen.

HALLMAN: I will identify the area of communication, I would call it. It's, again, a line of accountability, but the line of communications through the districts both to the people and back up into the Board, that has to change. And how it's going to change between the Board and the President is going to be a struggle because the Board is now, at this point, representative of the districts. And the way that we have those lines of accountabilities are through liaisons. So I've discovered in my travels around that I'd meet up with you all the time. You're individual. Everywhere I go there's a Board member. And it's lovely, but it's --

SAUNDERS: Hopefully. *[laughter]* That's good.

HALLMAN: Well, I've enjoyed many. But it's driven home to me, in this process, it's driven home to me that we've got a relative, I said it's too large, but it's a relatively small group of people who are out there. The lines are complicated. The lines of what we call lines of accountability or communication are complicated.

SAUNDERS: Question. Are lines of accountability and lines of communication the same?

HALLMAN: Well, they're not exactly, but I think it's communication I'm talking about in terms of liaisons. I don't know really how much accountability you bring back from the groups that you're a liaison to. I think it's mostly observation and communication.

So it's trying to know what's going on out there and reporting on it and making sure we collate all the information and make the right decisions. It's just a cumbersome, very cumbersome... given how large we are as an association. And we go back to our association of trust and our understanding of how things are reported up. We don't need all those liaisons. We also, I don't think, and this may be hard to hear, I don't think we need a representative Board. It's a small understanding of democracy, and the policymaking board is very complicated if it's also a representative board. So I believe that's an area where the governance process will clarify a lot of that. But the liaison structure and the representative board are two things that we will be working on, I would think, I'd be sure in the presidency.

MORALES: Let me talk a little bit about an enormous issue that actually transcends the President and the Board and what I've been talking about in this campaign, which is our need for what I call a new ministry for a new America. And one of the things I've been talking about, and you've heard that the majority of children ten and under are not of European descent. We're in the midst of the largest ethnic demographic racial cultural shift in American history, and we're right in the middle of it and I don't think we're very well prepared for it. In terms of all ministry, but let's talk especially about professional ordained ministry, half our ministers are going to leave the ministry in the next decade. You have a certain amount of people leaving anyway for other than retirement, and close to 40 percent are 58 and older. So we're looking at a perfect storm.

It is going to be critical that the Board and the President and other stakeholders, our theological schools, all of them, get together in some way to address this and not fight over turf battles. But we need -- and it's just started -- I compliment that in the Excellence in Ministry, but that's just one piece. Because the process, if you look at it comprehensively, involves stuff that's very much the Board's around fellowshiping, but it really starts with the whole decision-making and recruitment process. MPL has got to be a huge part of that as it monitors people. And then after ordination there's the whole function of helping people find placements and continuing education and adjustment along the way. We have got to do a lot better at preparing our ministers to be effective leaders in our congregations, and the Board and the President have got to coordinate between us that effort to help make it so. So that's, I mean, a huge issue that we're going to face.

HALLMAN: Let me just draw out for you how I would perceive that issue being understood here, and that is that the Board would set an end, and the end -- and I'm only talking off the top of my head from this issue -- is that the end is that we are adequately, we have adequately prepared, more than adequately prepared for our future the future demographics of this country. Our ministry in ten years is able to speak to the issues of the new demographics, represents the new demographics. You could draw an end like that. And then it's up to the President to make that happen. And the President is the one that's going to be doing the alignment with the schools, both our identity-based schools and our other schools of training with our churches, with programs for placement, with the kinds of internships we need. So all of the implementation comes down that side. If we don't get results then the Board comes back with what they've already said were the monitoring tasks. They would be constantly monitoring to make sure that that was being fulfilled. So I just wanted to draw that picture for you about how I would see that being implemented.

MORALES: Let me add, though, that I would push for that if the Board said nothing about it. And I would in this way, because if you want congregations that are vital in healthy communities, part of my interpretation of that is that those vital and healthy communities long-term are going to need religious leadership. And so an interpretation of that end would be ... I think that's part of what the dialogue in getting rich is, in that interpreting process, handing something back and saying well, don't you think, or as the President would say, "I think we need to work on X, Y and Z that maybe the Board didn't already have there." And then the Board can say "yeah, we're OK with that. Yeah, that sounds like a reasonable interpretation of that or not." That's, you know, dialogue mode. But part of the function of, I think, the presidency is to be on the edge that way and to be looking for opportunities in that way.

SAUNDERS: Thank you.

HALLMAN: I'd be careful, though, about bringing something back of detailed program and saying what do you think? Because I think this Board and most boards

are used to getting down into the well, you know, wouldn't it be great if both schools did this and the other schools did that. I know that's not what you're saying, but I just would be cautionary about that. That it's very, very easy for Boards especially to get into the programmatic elements. And that's been one of the things that's limited the effectiveness of boards because they've been too much into the programmatic elements and not enough into the visionary ideas that in ten years we are going to be in this other place and keep their eye out on that ten-year goal and not get caught up in what's happening today.

SAUNDERS: So this is increasingly conversational. I like that. Thank you.

HALLMAN: Oh, good. I'm glad.

SAUNDERS: Thank you. But I do have another question. The President of the UUA has at least two roles, probably more, CEO and a leading member of the Board. How do you understand the differences between these roles? What other roles do you feel obtain to the president? How do the roles of CEO, member of the Board, and any other roles you may identify, relate to each other?

MORALES: I respectfully submit --

SAUNDERS: What are the differences --

MORALES: -- those are too many questions in one. *[laughter]*

SAUNDERS: OK. Well, we'll stop there and then I'll get onto the next one.

HALLMAN: Yes. OK.

SAUNDERS: OK.

HALLMAN: I don't believe the president is a leading member of the Board.

SAUNDERS: You do not.

HALLMAN: No. The --

SAUNDERS: The President is a member of the Board.

HALLMAN: The bylaws, or the way the bylaws are right now, but I do not believe the President should be a member of the Board.

SAUNDERS: So you believe --

HALLMAN: They are two separate entities.

SAUNDERS: So you believe we should change the bylaws --

HALLMAN: Yes.

SAUNDERS: -- that the President is no longer a member of the Board?

HALLMAN: Yes.

SAUNDERS: I see. OK.

HALLMAN: I think it's very important.

SAUNDERS: OK.

HALLMAN: I think that's extremely important. Now, it's not to say that the President is absent from the Board deliberations or doesn't contribute, but I can reflect back in my own experience when we went into policy government, governance. My role changed dramatically from being a persuasive member at the table to being a person who reflected back to the Board how I saw what they were doing would play out into the implementation phase. And I also became a resource to the Board because I was much more attuned to all of the various issues and in terms of the staff and in the terms of the UUA in terms of the congregation.

SAUNDERS: That's very different from the way it is now, I believe.

HALLMAN: Yes, it is different from the way it is now.

SAUNDERS: OK.

HALLMAN: And it will be OK. *[laughter]*

SAUNDERS: I'm just wanting to know, that's all.

HALLMAN: Yeah, I think it, and there are other roles. And also in our bylaws is chief spokesperson. And I think that that is a very important role and a position that I would take very seriously, not as the only spokesperson but speaking for the denomination would be very important to me. Being the leader of a spiritual community is very important to me. And I think Bill very effectively said at one point, I think today, that, you know, this is not just a bigger church. *[laughter]* So it's not like it would be a bigger minister, this is not this, but still effective bearer of our heritage and our tradition is a very important role, among others.

SAUNDERS: Thank you. Peter.

MORALES: I have a different take, and it would take a longer conversation to know whether it's a distinction or a difference. I'm comfortable with the role of the

President being part of the deliberations because when I'm CEO, I'm CEO. I'm not CEO in here with the Board. I'm CEO before the board meeting and after the board meeting, CEO of the staff and dealing with the staff. I mean, I deal with that all the time. When I'm with my board meeting, I participate in discussions and stuff, but the whole implementation of it is mine to do as senior minister. It's a very different role. It's a different mindset. It's different people around the table. And you weren't suggesting that the President not be here just making discussions either, so I'm not sure where that difference is.

HALLMAN: No, I think I was pretty clear. I do not believe that the President should be a member of the Board and just have a place at the table, which I've experienced and I've done and raised my hand and participated and been persuasive. Then your authority becomes from the ability to be persuasive. And not a member of the Board and being CEO and being in the board meeting as the CEO, I would expect the Board to look to me for that collaborative effort that we talked about before for clarification, for some insight, but I would not see my role as persuasive. I believe the Board -- we go back to speaking as one voice -- the Board is doing their own deliberation. They should be the only people at the table. And so I would be the CEO sitting in being called on for reference or for information, but not being a person at the table, just as everyone else is at the table.

SAUNDERS: Do you want to say something more, Peter?

MORALES: Yes, because that is a difference. I mean I think it's incumbent upon me if during the -- and actually I think Bill plays -- because I've been here as member of the Board and staff, has done this fairly well. I think it's part of my responsibility, if the Board is heading down a direction I think is a mistake, to say I think that's a mistake. It's still the Board's decision to make that.

HALLMAN: I would agree with that.

MORALES: But I don't want to absent myself from something, you know, and say, "They were heading off a cliff but, you know, I wasn't..."

HALLMAN: ...and I watched them? I would agree with that.

SAUNDERS: So, let me follow up...

RICKTER: I actually think that we're out of time for this segment, so we'll have to wrap up, so thank you, and thank you, Will.

[END OF SEGMENT TWO]

[BEGINNING OF SEGMENT THREE - Finance]

RICKTER: And we're going to go on to our next segment, on finance, which will be moderated by Dan Brody.

Dan Brody: Thank you. Rather than give each of you 20 seconds each for each of the 13 questions on the list, I'm going to focus on two questions [*laughter and side comments*], perhaps with some follow-ups on the second question. So, Laurel, why don't you start on the first question.

As you heard in finance committee yesterday, the administration is contemplating some budget cuts for the fiscal year that starts July 1st. It is highly likely that additional budget cuts will be needed in the subsequent fiscal year just because of the way our endowment spending policy works. Could you tell me how you would approach the task of, say, an additional 10% budget cut that might be needed in the first budget that you're responsible for? And what would be your programmatic priorities?

HALLMAN: First of all, I think that we need to look at the question differently. And that means different delivery of services that are not necessarily programmatic. We did even, in fact in the finance committee, talk about some of that, the technological delivery of services that mean that we're not sending people out to do workshops and gathering people for workshops. Just thinking creatively about how we deliver what we need to deliver.

The first priority, of course, is the help with the congregations, and so we need to figure out what the UUA will be doing to support congregations and how to deliver that in a cost-efficient way that cuts -- the kinds of cuts that you are suggesting. So that includes religious education, that includes the preparation and support of ministry and religious education directors under religious education and musicians -- and the support of the strengths of the institution as its embodied in our thousand congregations.

Beyond that then we start thinking of what do we, what can we, what other efficiencies can we do? And we listed some of them yesterday. Webinars would become very effective in this kind of environment. It gives us an opportunity to reexamine how we do things and what is our most important service, to whom do we serve, who are we serving and to whom do we serve and to what end? I think that question will help us sort that very effectively, but I just would say, again, I think our first pass would be the one that we begin to make which is how do we deliver what we're delivering in a different way.

BRODY: Thank you. Peter.

MORALES: There are several parts to this, one of which is the fact that we are likely to have to make budget cuts puts a huge premium on very quickly developing a new

culture of evaluation in our association where we are results-oriented and we're measuring that. Again, not that we're falling in love with false indicators. But being a religious organization and being one where people tend to come from congregations, and often smaller ones, compared to what exists in much of the world of organizations, both profit and nonprofit, we are, in fact, far behind. And too often when I was sitting in budget discussions, we didn't have the information to be good stewards because we really had no sense of whether different program initiatives were working effectively or were not. We just simply didn't know. I often use the example of a program that we had for some time around doing growth workshops, Decisions for Growth, and we had a couple of staff members for a long time devoted to it. I don't know how effective that was. I don't know whether at the time, and if we really valuing growth as a high thing to share our faith, we should have been doubling that or whether we should have cut it. And we had no basis on which to make that. So I want to talk about how you make the decisions, but you have to have the stuff as background to make responsible decisions.

Once you're in that process, alas I've been through it in government and in the private sector too many times, I think if you're looking at 10% cut you've got to ask different workgroups what they're going to do, if they're going to cut 25% or 30%. Because you cannot do stuff across the board, because then you don't become more effective and more efficient. And then you go through an exhaustive and anxiety-producing process, but it's very rigorous if you do it well.

There's another piece to this. If we're going to have to make cuts they need not only to reflect our ends but deeply our values. And that means around... this is an organization of people, for example, you know, if we're going to make significant budget cuts, especially we're dealing then with 20% and maybe effectively 25% over a couple year period, I don't know any way to do that without effecting staff. You just cannot. And I think we need to do it in a way that is sensitive and compassionate. And one of the things that I would model is the biggest cuts would come at the top, including the President's salary should be reduced significantly if we get to that point. And probably, and then do things like one day a month leave, things like that, to try to preserve the people who are essential and really good in our organization and to share the burden.

BRODY: Thank you.

HALLMAN: Can I tag on that?

BRODY: Sure.

HALLMAN: As President, I have a different response to that. And as President and having gone through three different downturns and then recoveries, it's extremely important for the President to take a position of prudent leadership which is not doomsday, you know, we're all going to hell in a hand basket and that we've got to make these terrible cuts and is not Pollyanna, but is responsible in terms of leadership

and in terms of generosity. Because it's the economy and, you know, we've talked about this in these meetings. The economy right now is, and certainly investments have taken a huge cut, but pockets here and there have not been affected yet. And so I would go to the places that have not been affected and ask them to be more generous, because, in fact, we even talked about this a little bit in Dallas, about how do we help other places that are being hard-hit keep solvent so that we have some, we talk about generosity, as well as oversight of the staff and the budget and preparations and plans for what we might have to do.

MORALES: And this process, too, especially if it gets to another round of significant cuts, it's essential that we not eat our seed corn. And by that I mean certain long-range programs, like around diversity and retention of youth, those don't pay immediate returns, but those have got to be preserved because our long-term health absolutely relies on those. And so we have to both maintain our sense of those that are absolutely essential for long-term health and they have to be protected virtually at all cost.

BRODY: Thank you. The second question involves how you would make financial tradeoffs. In many cases, and the questions on this list reflect a number of aspects of it, we have to make a decision where, on the one hand, we might be trying to maximize the amount of money that's available to spend right now, but at the risk of a variety of undesirable consequences. So the risk in, not so much risk as the tradeoff is an undesirable consequence in some other form.

So a clear example is, when we get unrestricted request income, we can decide to spend it this year or we can put it in the endowment that then lets us spend it in some future year. We can have an investment policy that increases the amount of money that we spend each year out of the endowment at the risk -- at the tradeoff -- of having less to spend in the future. We can invest money in the endowment in riskier investments, but there's going to be more volatility. So there are a whole range of these issues. Peter, if you would go first. Sort of ... what's your bias on that? Are you leaning one way or the other as terms of, you know, what we do now versus some of these other consequences?

MORALES: I don't want to duck the question, but before I made that decision I'd want a lot more analysis and I'd want different perspectives on it. So, for example, I would want information about what other like institutions are doing, not only religious but, say, educational ones, what their policy is, what their experiences have been and what the recommendations of their top people are. I would want, let's say, a bequest income. I would want to look at the tradeoffs and have some very rigorous analysis of what those tradeoffs are and then make the decisions based on our objectives and our common values. And it will vary. I mean it's the tyranny of circumstance. If things have just gotten awful and you're real short and, you know, \$2 million lands on your lap and the choice is to spend that \$2 million this year, put it in the endowment when the market is volatile, I'd probably lean toward, you know, saving essential programs and key staff and maintaining operations. If things weren't

that dire, I might feel a different way at a different time. It's always a moving target on those things.

HALLMAN: I would approach it, as a president, from the point of view of the donor. I think that one of the most important factors to be factored into all of these decisions is credibility, trust, that the money that these people are leaving with the intension of, in a bequest of a long-term investment in the future of our faith, needs to be perpetuated and underscored, even in hard times. So I would tend to take the more conservative side financially, specifically in terms of the 5% plus 2% that the Board has grappled with, or the finance committee has grappled with, I think the 5% is in keeping with pretty much what people are doing out there and that 2% in this market is very extravagant. And I know it's the real-world versus the world that we would hope for, but I would take the conservative side on it. It's the way to keep credibility in the institution while you ride out a dark time, a hard time.

MORALES: Let me say even that one is a tough call because I tend to lean that way. I don't want to draw down the endowment, but if can spend a bit of it, it really depends on what the probability is of that returning a whole lot more money than you're spending, you know. In the newspaper business in hard times, you don't fire the advertising staff. That's your revenue stream. And sometimes you might even have to spend more on that. It really is a tradeoff, but you don't let somebody go because their salary is \$50,000 and they're bringing in \$200,000. I mean that's nuts. So you really have to look at it, I think, case-by-case.

HALLMAN: That's true, but just don't forget that it's not the selling of the newspapers or the advertisements. It's the gifts of the donors and it's a different kind of relationship.

MORALES: But we were talking about unrestricted.

BRODY: There's a range of things we're talking about where the issue comes up. Thank you very much. I think we're ready to move on.

[END OF SEGMENT THREE]

[BEGINNING OF SEGMENT FOUR - Administration]

RICKTER: We're ready to go onto our next segment which is on administration. And the moderator for this segment will be Jackie Shanti.

Jackie Shanti: Peter and Laurel, you've been hanging out with us for a couple of board meetings now and you've seen how we struggle with self-care. So I'm just kind of curious how you each imagine allocating your personal time and energy among all the competing priorities that you're going to be facing in the presidency.

HALLMAN: Well, this is not a new issue. [*laughter*] For me this is a significant change. I'm sure all of you know that I'm engaged to be married, and so this is a huge life change, not only the presidency but my personal life too. And so my commitment to my marriage will be a significant, I think, balance as yet unrealized, but I expect that.

I have a spiritual director, and she lives in Nashville. And we talk monthly by phone, and she keeps me focused on to whom I am serving, who it is I am serving and to what end and with practical kinds of ways of keeping me focused if I get off track. I also, you know, I already have a trainer. I work out. I try to keep physically fit. I think that's important to keeping the stamina in terms of the job. And I expect to create a home here. And I'm putting my house on the market and I'm about to sell it. So I'm creating a life here that I will enjoy and flourish in, I hope, and I'm trying to lay the pieces in it, that I've learned over my life, sustain me.

MORALES: I've spent my entire life working in positions that are enormously challenging and that you could do a hundred hours a week doing. Academia, journalism, for a while running my own business and being a publisher for a large corporation. So it's something I'm used to doing. The real challenge for me isn't finding the energy most days. I mean there are some days when you get really tired, but I like to work. I find it energizing.

The real challenge is getting caught up doing stuff that doesn't matter very much. That's a constant challenge. And the demands on the presidency -- and I've watched that up close -- are just endless. And the world of electronic communication has made that far worse because you're inundated with emails, I mean, it's awful. I mean and you're excited to go speaking all the time. So the real challenge, I think, is the discipline of sitting down and looking at the internal and external demands and constantly keeping a balance and that eye on putting your best energy at those things that are going to produce real results.

HALLMAN: Could I ask for a clarification of the question? I heard that as a personal question. Are you also talking about how we would approach the job, the position?

SHANTI: I would be happy to hear you expand on that. I think it was, the original question was meant kind of from a personal point of view, but it certainly spills over into how you do the job.

HALLMAN: Yeah...I would also... we talk a lot about the large rock, small rock. If you've heard of, I'm sure everybody here has heard of putting the large rocks in first, and you can get a lot more rocks in if you do that, and then put the small rocks in. And that's a wonderful metaphor for how one approaches these kinds of jobs. The problem being that there are a lot of small little pebbles just sort of coming at you all the time and some of them in email and some of them in just small...small things. Over time I've discovered that you cannot just do the large rocks. You have to figure out how many of the large, medium, small you can do that help move things forward. And I have had the kind of experience with that that I think I can bring into this position. And it's a triaging, it's being steady, it's being clear, it's a lot of spiritual quality that one has to have for this kind of job which draws me to it. And I don't always succeed, but I have some skill at that.

MORALES: One area that's very important to me and where I think there is a difference between us as candidates is I hear all the time another area around which there's broad consensus is that we need to make major changes as an organization. The truth is that most organizations who clearly see that they need to change, to adapt to a new world, whether they're business or nonprofits or anything else, fail. That's just the truth. And there's been a lot of study on why organizations fail. They tend to fail not for technical reasons. If you look at businesses in the same kind of industry and those who, in a changing industry, those who thrive, those who fail tend to have just as well trained staff, just as good at forecasting, just as good at budgeting, all the technical stuff is in place, they fail for emotional reasons. They fail for emotional reasons.

And down the street, John Kotter has created an industry studying this at the Harvard Business School. And this is critical because the role of the President, I believe, is to help create system-wide -- not just here at the staff of 25, not just among the Board -- but in our larger system of congregations and in our movement, to create and sustain a sense of urgency about the changes we are going to make. Because a lot of those changes that are going to help us thrive have to be made out in the local level. Now, you don't have a lever here to pull that. So what you can do, though, is create a vision that's clear, help people see possibilities, and that energizes the change bubbling up from out there. But the President has, and not the only person, for sure, but has a critical role in making that happen. And that would be a top priority for me.

SHANTI: Could you be specific about some of the changes that you might envision making in administration or the UUA as President?

HALLMAN: Oh, if that's a different question, I want to speak to what he has just said, if I could.

SHANTI: Uh-huh.

HALLMAN: And that is that I don't believe --

MORALES: Good. It will buy me some time, too. *[laughter]*

HALLMAN: OK. I'll try to do that. I don't believe urgency is a leadership skill and I believe that helping people, the vision is, the helping people clarify what is appropriate and not appropriate in these times and for the future. There are a lot of skills that are very important for the President, but I do not see urgency as a leadership skill.

MORALES: Let me respond to that. The skill isn't urgency. The skill --

HALLMAN: I said creating urgency.

MORALES: ... is helping to communicate a vision that is compelling and so compelling that it invites action and creates a healthy, urgency is not panic. Urgency is that sense that we need to change, we can do this, and we have to do it now. And that, I think, in our wider movement, and it's a legitimate difference, I believe that that has been lacking and that that goes a long way to explaining our inability to respond to the changes around us. And it explains why, well, I'll leave it at why we don't manage to adjust in terms of ministry, in terms of congregational growth, because that sense of urgency, again, which is not panic but that sense of 'we have to get on this and we have to get on it now. And it's doable and this is how we're going to do it.'

HALLMAN: I think you've changed your definition, but I think that the clarity of vision and engaging people in alignment and saying that we are moving in this direction and we have some ends that we're moving toward and we know we're not going to do outside this area, we're going to be focused -- if that's what you mean by urgency that's a different kind of thing. I haven't heard that from you before.

MORALES: Well, I'm not talking about going around panicking. Because that's of no help to anyone.

HALLMAN: That's right.

MORALES: But don't lose --

HALLMAN: I think your phrase was relentless urgency, and that worries me.

MORALES: I think one of the key mistakes that organizations make, as they've been studied exhaustively, is they create a sense of urgency temporarily. They convince people that they need a change, they put all together all this plan, they do all this rollout, they get the message out and two months later it's gone. And what happens is

we all return to our habits because we don't change our behavior until we're emotionally engaged. That's what I'm talking about. And that's what has to happen whether you're Dow Chemical or the UUA.

SHANTI: Returning to this idea of change, and if you're going to create this sense, or respond to this sense of urgency, in doing that, and go back to the other part of the question which is how you might then institute some change within the administration or the UUA in order to go out and do the work that you want to do. What kind of changes do you imagine?

MORALES: This is, the UUA, while it's not a huge, is a large enough organization that it will require a team effort around this. So one of the things that is essential is a leadership team that is put together by clearly choosing people who have a track record of seeing opportunity and implementing change in the organizations that they've been in, whether it's a church or some other organization, and then that team works together very effectively. But it cannot be like the President's job to do this because it has to exist in ministry and professional leadership, it has to exist in religious education and they'd be marching to the same drum. It has to be in district services.

A quick example: One of the first things I did, as director of district services, was try to shift, in the very first big meeting that we had, the training around stuff dealing with conflict resolution to dealing with how to be a catalyst for change out there. And we brought in Roy Oswald and talked about triaging, about focusing on those places where there's real opportunity in those congregations and a bunch of skills about how to assess that and how to move in so that you do some very practical things with that sense. And it's working with staff to create expectations about 'this is the job,' and also working with the District President's Association and the staff to create a new way of doing evaluation of staff, which was based around staff goals that are consistent with district and UUA policy, and then evaluating their accomplishment of that. So that's how you get it where the rubber meets the road.

HALLMAN: The biggest change that I would want to implement, and it does involve the Board, is some strategic planning. I don't think any of us on the staff or in the Board are planning far enough ahead. Sometimes it's a year ahead or two years ahead. We were talking about, today, talking about five years ahead, but there needs to be some very clear points in the sand ten years out and some moving toward that direction. Now, we're going to change things as we go but we've got to know exactly where the culture will be. And we can get that information, demographic and otherwise. And then how we want to get to that point.

I've had the experience of being here and seeing what's there and realizing that what's right before us in the coming year will have to be changed dramatically, especially in terms of infrastructure. I think this is exactly what we're doing now. And we've already started here. I think this is a good thing. But communication, infrastructure, how we get what we're doing here out to the churches and how we get

the feedback back are going to be huge changes in the system which will, I think, enliven us and vitalize our movement.

SHANTI: You both have identified your roles as CEO. And I'm wondering, are you intending to work in that role alone or with an executive team, an identified team? And another part of that question would be also your plans in terms of executive vice presidency. Do you intend to employ someone in that position and, if so, what would that role be?

HALLMAN: I would definitely want an executive vice president. And that's part of the team now. As CEO, I'd draw this picture where we have communication between the Board and the President, that's very clear. As a collaborative leader, I would have a team, but I would also be in charge. That's been my experience, that's what I've done and that's what's always worked for me. That way I don't see myself as the decision-maker just by myself. On the other hand, everybody is clear who is responsible, and that makes a huge amount of difference. So I would want an executive team and I'd want to be the CEO and I would want to be the person at the table with the Board and I would want to be in charge.

MORALES: We should not confound accountability structure in management practice. And the question, I think, can be read that way. One of the things that troubles me in institutions I've seen, that have a team, executive team is that, in fact, de facto, that team is not a group of equals. There is someone who is heading that team. So on this one, actually, we agree. I would want to be the CEO, and that's the way I have worked a great deal of my life. And if one were to look at my track record in government and in publishing and right now in my own congregation, I am relentlessly collaborative. I mean, I make sure that everyone who has a stake in a decision, gets input into it. I seek consensus. I also try to make sure that people who don't belong at the table don't have to suffer through meetings where they have nothing, where they don't have a dog in that fight, because I've spent too many of my own hours doing that. But you make much better decisions when they're collaborative. It's a matter of input, but accountability is about, I think, the CEO being held accountable. The executive vice president, yeah, especially given how much of the presidency has been, and I think will be and needs to be, dealing with the external. The UUA needs in the corporate world what would be called a chief operating officer.

HALLMAN: I would want to COO, to clarify that as well. And collaboration has, I just want to also be very clear about the fact, that collaboration isn't necessarily consensus. We have a strange understanding of consensus, I believe, which is not, we take it from the Quakers but we don't take their whole spiritual and their disciplined way of going about it. And so I want to make sure that we don't, that you don't hear that I'm saying that we need consensus or that everybody has to have a voice and kind of thumbprint everything. We tend to do that, too. We want to be efficient about that process and make decisions when decisions just need to be made and we don't need to go through the loops of getting everybody's thumbprint.

RICKTER: OK. I think we're finished with this segment. So thank you, Jackie.

[END OF SEGMENT FOUR]

[BEGINNING OF SEGMENT FIVE – UU Polity]

RICKTER: We're ready to go onto the final segment which is UU Polity, which will be moderated by Eva Marx.

Eva Marx: Thank you. Hello Peter and hello Laurel. I am going to be asking some questions about things that have not, that don't really fall under policy governance as we've been talking about it now, and I'd like to start with the General Assembly Planning Committee which, as you know, is an elected body and certainly not in keeping with the kind of polity that we would visualize with policy governance. So how would you interpret the President's relationship to the GA Planning Committee? And would you intend to continue an entity similar to what is now the General Assembly and Mission of the Association Partnership which is a group that represents the administration, the Board and the Planning Committee and that convenes regularly to discuss overarching issues? So my question is how do you plan to relate to the Planning Committee?

HALLMAN: Well, I certainly think it doesn't fit the policy governance model that we're moving into. And it would take some time to morph, I guess, into a new way of running GA. And I would want to hear the Fifth Principle Taskforce report before I'd make a specific decision about that. But, generally knowing what I know about governance and what I think I know about GA, I believe it should become a staff function and should not be an elected... and this is actually a perfect example of a committee that's made up of people from all the different parts which, in fact, then changes the clarity of accountability and mission. And so I would, just from what I know now, say that the General Assembly Planning Committee or the actual General Assembly falls under the staff side. You can have ends from the Board about what you want to have accomplished there, but it is implemented by staff. That's not to say not professional people, but the accountability would be on the staff side.

MORALES: It's a lot less fun when we agree. [LAUGHTER] But I have no substantive ... let me add a couple of things. One of the things that's a real challenge for us, as a culture, as a movement, as the UUA is recognizing that something exists that probably doesn't make a lot of sense and then talking about it for decades. [laughter] And that will not serve us. And this is actually probably not the most important one.

In my darker moments when I was director of district services, some of you have heard me say this, I said that if you hired a management consultant and they proposed our current district structure with its funding you could sue them for malpractice and win. [laughter] And win. It's sort of an accident that happened some years back,

and I'm looking at Harlan, he'll corroborate this, if you haven't explained the funding in a week, you have to go back to your notes, even if you're director of district services. It is so Byzantine and it's a money laundering operation where, you know, the districts send money over here, then we send it back and they send it over here so we can pay the stuff. And the formula changes with every district. That's one. The size of this Board makes no sense, especially as we move to policy governance. It is a supertanker of a board. [laughter] It is not agile. I've been a board member, so it has nothing to do with any individual member of the Board. We have to get culturally past the place where we tolerate something that clearly doesn't work. The GA planning thing is one, and we need to make that transition, but it's just one of others.

HALLMAN: You may be possibly going to this question, but I have come to some insight about districts. And that is that some of the reasons they are the way they are, and I would take my own district, which is the Southwestern Conference, as you understand it, and this could be UUA, as a historical entity. And I have come to a new appreciation of history and tradition in what we do. That's not to say that we don't need to make changes, but we cannot pretend that we don't have a history and that it's easily overwritten. I just want us to take that into account as we make these changes. The changes are necessary, but I want to make sure we take that into account.

MARX: That's your long-term view, but the planning committee exists now and you're going to have to relate to them in some way. And I guess I didn't really hear an answer to that.

MORALES: Specifically about this group?

MARX: Yes.

HALLMAN: The Planning Committee.

MORALES: I don't know a lot about it, but what I've heard, I mean it serves a real function now. And, hopefully, it will be help in a transition to something that we ought to have. In fact, it would be great if it could get to the point where it recommended that change. That may be magical thinking, but we'll see. I would like to see that.

HALLMAN: Yes, I think it will go rolling on. Whenever we think about it, I certainly would relate to the group and to the people who are running GA and the decisions for the GAs in the future and the Fifth Principle Taskforce. All of that's coming together now in a really nice way. By the time of the election, I believe there will be some new possibilities. I don't think what we have said is very way off in the future. I think those changes are going to be made soon.

MARX: Moving on, and, Laurel, in a way you anticipated this next question: What do you see as the role in the longer term for districts in our association?

HALLMAN: I actually believe that the districts need to remain. Now, there will be, I know, some regional areas. We already have the New England Regional Conference. And regions are easier. And Texas is a little hard to think of a region when you've already got, you know, a quarter of the continent in your district. [laughter] So it varies from area to area about how you're going to create the connections. Now, one thing that I found interesting in my own experience is that the large churches have come together in a lateral association, not a geographical association. And we started to create that. The mid-sized conference, for example, is a lateral association. So I think we're going to end up with a matrix of different ways of being together. I do not believe that we can, quote, do away with the districts and create something else. I went through the period of the inter-district representatives when we were in hard times and they were driving all over the country. That was difficult. And I think we need to be as attentive and as close as we can geographically. But the districts, as I said before, have a long history and some vitality. It varies but they have vitality and they're one way of being connected. I don't see us doing away with them.

MORALES: I don't think it's a realistic possibility to do away with them. And we need to find ways, as an association, of serving our congregations through intermediaries. It's much more efficient and effective than the current structure. And some form, however formal it is, of regionalization is almost inevitable and is a good thing because it would really help, it would bring a lot of flexibility, the ability to put resources where they really need to be, a career path for our best people. It has a lot of wonderful pluses. And so, I mean I'm in Mountain Desert, I mean talk about a big district. I mean we go from Mexico to Canada. I mean we have to flow to meetings in Mountain Desert. And, you know, Pacific Northwest ... And oh, yeah, we have Alaska, don't we? And, you know, it's that dynamic. And I don't see those going away, but I see a lot of coordination among and around. For example, why should there be someone with a lot of experience, terrific expertise sitting in Pacific Northwest not working with a team of two or three other people to do something in Mountain Desert or in Pacific Southwest? We're doing more and more of that, but it's like you have to run around to do it and do all these funny things. We need to make it an expectation and bring coordination to that, make it a whole lot less accidental and opportunistic but create structures that encourage and nurture that kind of collaboration.

HALLMAN: One of the things that the districts are a little stuck in are their regional meeting or their annual meetings and the kinds of things that happen around the annual meetings and the specific things that have always been done that way. That is one thing I would like to change: the new ways of community so that we can be online with other congregations in our districts. We can be, and we're already, I mean listserves from the district, the ministers are on listserves. I mean there's a lot

electronically happening that's going to make a difference, especially in the districts like mine that are so far apart, where the congregations are so far apart.

MARX: OK. Shifting gears a big. Organizationally, how do you see the role of the President's Council from a governance perspective? What is their role in setting priorities, for example?

MORALES: It's for you. *[laughter]*

HALLMAN: I've served on the President's Council, and I don't believe they have a role in setting priorities. My understanding with donors, and this is what ... it's a donor group ... it's the Board that sets the priorities and then the President who implements. And so, in setting priorities in that way, I would say the President's Council is, it's a body that was created to be, because I was around when it was created, and it was created to be a way to involve people and communicate what was going on in the UUA, have people more understanding more what was happening. And it's a wonderful fellowship. It's a friendship group that's endured and has been very important to the people who are in it. It is sometimes, though, the people who are in it see themselves as taking on some of the functions of a ward, and I think that's a cautionary issue. So the function of the President's Council can be advisory. And I also think that occasionally there are gifts that come in that will further the goals of the Board and the President and the staff, but they shouldn't ever, ever derive it.

MORALES: This is another one where not only there's no substantive disagreement, we met with stewardship and development staff together Wednesday night and talked about ways to restructure and go to meetings, so I think we're in substantive agreement on that. Let me anticipate a follow-up question which is about stuff being donor-driven.

MARX: Yes, that's the next question.

MORALES: What a surprise. *[laughter]* Well, there's a real danger in that for an organization. The easiest thing to say is absolutely not, you know, we have our priorities, we have clear vision and we're not going to let donors distract us from that. The reality is let's, if a donor is really hot to fund the second priority and less hot to serve the first, I don't know. I mean that's something that I think you need to think about because you don't want to make the perfect the enemy of the good. However, what you never want to have is a situation where you're doing something, you don't think it's valuable, isn't worth the kind of staff support, is going to suck other resources and distract the organization in order to make some major donor happy. And let me also add that what needs to happen, however, is a relationship, an ongoing relationship with a major donor who comes and says, you know, "I think we ought to do X." And you're convinced that's not a very good idea. You say, "I understand what you're trying to accomplish with that. I don't think that's the best tactic for that. We believe that this other would be." But also, at some point, one of the monsters I

live with is that if cannot say no, you don't have a strategy. And sometimes you have to be willing to say, "no thank you."

HALLMAN: If we can plan ten years ahead then we can align our donors with that plan. If we are short this year and we have something we really need to fund, we then go to people and say can you fund this, can you fund that? We're in a much more vulnerable position in terms of our strategic direction. I have found over the years that -- and I've had some wonderful, wonderful donors in my time in the ministry, and I've not had a donor who has, you know, taken his or her marbles and left because of some disagreement. They're usually quite wonderful about the giving of their money. I mean they are generous people that can, they have the resources and they love our faith. And so, alignment of the donors with the strategic plan is very, very important. And, if we don't have that, we're more vulnerable to the whims of people because they're trying to help. Not because they're trying to take over, because they're trying to help.

MORALES: The most effective thing I believe we can do for fundraising, major and minor fundraising, is to be effective. I mean, one of the truisms in funding is that money follows mission. If we show that we have the clarity and the discipline and we're effective, a donor is like any one of us. I'm much more excited about giving to an organization in which I believe and whose leadership I trust. One of the barriers that we face in fundraising is that we hadn't always been that effective, and we have instituted programs that were not as effective as they might have been. That has a long-term effect on anyone's ability to raise funds from donors. So one of my big concentrations would be to get results, because once you're getting results people will be happy to give you funding to do that.

HALLMAN: I also would like to add that risk-taking is part of this. The donors that I know will fund something that is a risk, that will give us new information, will give us new ways of looking at things. And, even if something didn't come out the way they planned, I have people who work in hospitals and raise money for research and the research doesn't come out the way they planned. And their belief is that if we have learnings and it effects what we know, it's worth it. So it's effectiveness and it's learning from the experiences and trust, those three things, that are the most important.

MARX: Thank you.

MORALES: Which is one reason it's so important, in any significant initiative, to build in rigorous outside evaluation at the beginning, which is what any foundation insists upon so that those, so that you get early signals from things that aren't going well, and so you get learnings drawn by people who were trained and competent to do that.

RICKTER: OK. Thank you. I think we're finished with this segment, and we're finished with this forum. So, in closing, I'd like to thank the five board members who

served as moderators for the five segments. And I especially want to thank our two candidates.

MORALES: Thank you.

HALLMAN: Thank you.

RICKTER: Peter Morales and Laurel Hallman, thank you.

[applause]

[END]