

Executive Director's Report InterAct Ministries, Inc.

August 1, 2015
Boring, OR

Today is my birthday!

As I sat down to write this report I realized that it is the 45th anniversary of the day God named me as His child. The excitement of having the shame of my sin placed on Him and being reconciled to the God of the universe completely overwhelmed me. I lay in bed and cried myself to sleep for many succeeding nights, reveling in this new relationship of forgiveness and sonship with the One who loved me enough to give His life for me!

I have never fully recovered from that event. From that day forward I began a journey of spiritual development, something theologians call progressive sanctification. Mere mortals tend to think in simpler terms – something like “becoming more like Christ.” After forty-five years I feel like I have only taken baby steps toward that goal but I am thankful He will continue the maturing process as long as I draw breath (Rom. 8:29).

The process that God has used, and is using, to conform me to the image of His Son, is the same process to which we are called as an organization. Our mandate is to make disciples. Our “harvest field” is select portions of the North Pacific Crescent. Our primary context is the various least-reached people groups of our assigned territory – indigenous peoples of Alaska, Siberia and Canada, as well as immigrant people in Canada. For various reasons, including our history, our relationships, our bias toward cross-cultural/worldview methodology and much more, we are uniquely postured to work in select places across this enormous land area we call our “turf.” As an organization, we desire to see the aforementioned people groups having growing numbers of Christ-followers who live out their commitment through obedience (Matt. 28:20). Teaching them to observe (obey) all He has commanded is a tall order – it must include at least spiritual reproduction, growing in knowledge and application of Scripture, increasingly loving people and falling more and more in love with Jesus. We also believe we are not presumptuous to be intentional about teaching the importance of gathering with other believers – what we call “church.” This is the business we are in. This is why you serve on the board and why I have served as a missionary for over 30 years – to join with God and others to see growing numbers of reproducing disciples impacting communities (for Christ) across the North Pacific Crescent.

A report like this should provide you with a picture of how we are doing toward the accomplishment of that vision. My goal is to give you a glimpse of our motion –

whether forward, backward or stationary, for all critical areas in which we minister. Specifics regarding finances and internal control systems can be gleaned from the financials and the auditor's report. Details of the fields can be gathered by spending time in the reports from the field directors. I will speak to the big picture of the fields – the overall health of the organization. The fact that I need to say little about those serving the frontline staff in our offices speaks to the effectiveness and efficiency of the jobs they are doing.

Russia

In spite of the diminished size of InterAct Russia's field over the course of the past few years, I am actually quite excited about their future. Why? Because for the first time in several years we have a field director, Lucas Orner, who is both living on the field and has also developed a clear vision and strategy for our Russia ministry. In addition to the specifics so clearly laid out in his report, recent updates have come in telling of God's clear oversight and open doors as we moved forward to establish a faith-based alcohol rehab center in Yakutia, Siberia. With one appointee beginning to raise support, four other good prospects in the pipeline and money set aside for summer internship scholarships, we are well postured to redevelop this field.

Alaska

InterAct Alaska has had a difficult journey for much of the last decade. Retiring missionaries, resigning missionaries, conflict, absentee leaders, disillusioned leaders and loss of vision are only the tip of the iceberg of Alaska's struggles. In spite of these realities, significant ministry has continued throughout the decade. I am thankful that we have turned a corner with the Alaska ministry. The past two years have seen the initiation and completion of our first seven-month intensive Native Alaskan discipleship program, *LEaD*. We ran our summer internship program, *EnGage! Alaska*, in a bush village, for the first time in many years. We have fielded two new, young missionary couples, both of whom are serving Native Alaskans living in bush villages. Last but not least, we have a man in place to lead this field to the next stage of ministry, Darris Arnold. In spite of the initial pushback by some, I have seen the humble heart and servant attitude of Darris. I trust he will be able to overcome the minority resistance that continues. He is committed to this ministry and to the field of Alaska. His plan is to serve and empower the missionaries on his field, and as he does so, I trust people will increasingly rally behind him.

Canada

God is blessing the ministry in Canada in a unique way. Dan Mayerle's very relational style of leadership is a key part of this apparent favor, but what is happening goes beyond human ability. New people are knocking on our door asking how they can join the organization. Being overwhelmed with the messiness associated with new people seeking to gain entrance through our organizational doors is an enviable problem! ☺ A good leadership team is in place. A good strategic plan is being implemented. A

new on-site missionary training program is ready for launch. Read the Canada report and rejoice in what God is doing in that place!

The less exciting stuff

For this report I am once again choosing to reference Michael Batts' broad categories of board responsibility for clarification, from *Board Member Orientation: The Concise and Complete Guide to Nonprofit Board Service*, (Accountability Press, 2011) – **Strategy, Oversight and Policy**.

Strategy

With regards to **strategy**, the fields continue to function under our board approved **Mission, Vision and Values statements**. While looking through the lens of these foundational statements, each field director, in consultation with the executive director, determines the specific strategies that best fit their context and people. Out of his own vision for the Russia field (a subset of the vision of InterAct as a whole), Lucas has developed a contextualized strategy for the Russia field. Though new to his role, Darris is moving toward greater clarity in what it will mean to move the Alaska field forward. This is not something I am encouraging him to pounce on too quickly. Hearing the voices of the team, understanding the uniqueness of ministry among Native Alaskans, building a leadership team, and many other factors play into the final product. Even then the strategy for Alaska, or any of our fields, is a moving target. Midcourse corrections are the norm as new realities emerge. Dan Mayerle and his team in Canada have well developed and well thought out strategies for reaching their unique contexts. What is the bottom line regarding my implementation of strategy for InterAct? I am seeking to advance the board's mandate to make disciples among the least-reached peoples of the North Pacific Crescent – disciples that live out Jesus so radically that their communities are transformed.

Oversight

Regarding **adherence to the organization's mission/purpose**, InterAct is on good footing. We continue to operate directly within our Mission and Vision statements and we make day-to-day leadership decisions through the grid of the Core Values laid out for us. Even a cursory read of the reports from our three field directors reflect this quite clearly.

Evaluating effectiveness is a key board responsibility as you seek to govern this organization. How are we doing? This continues to be more difficult to measure than it would be for an organization producing widgets. My mind swirls when I think of the interface between measurable human activity and spiritual success. So much, if not all of the truly eternal stuff, belies measuring. Should we measure something? Perhaps. But what? Can we know the changes that have been wrought at the heart level? Can we make those heart level changes happen by working harder or smarter? I am not convinced that we gain as much return as the effort it takes to do the kind of measurement. We are being diligent to measure the hard work and diligence of our staff (faithfulness). God is bringing an increase as we see developing maturity in the lives of those with whom we serve. Much of this tale of advancing spiritual maturity can be unwrapped as you take opportunity to tear into the reports from the field directors, read the prayer letters our missionaries send

out, explore the monthly *InterACTION* and pray through our *Prayer & Praise*. Your heart will be encouraged as a clearer picture develops of the way God is using this choice team to increasingly accomplish our mandate.

One of the important ways I am moving the organization toward greater accountability is through the implementation of an *Annual Ministry Plan* for each of our staff. Looking through the grid of the missionary's job description, and in collaboration with the missionary, each supervisor develops an *Annual Ministry Plan* with direct reports. At the approximate midpoint the plan is reviewed to assess progress toward the missionary's goals, provide challenge, encouragement and suggest possible midcourse corrections. At this juncture the process is being implemented across approximately 50% of the organization and growing.

Evaluation and compensation of the CEO is another of the elements listed by Batts as a responsibility of the board. Although you have chosen to let this be cared for by the Canada organization, it is still something for which you carry responsibility.

Confirming compliance with governing documents and legal requirements is something that has been well cared for while Roy Martin was at the helm as InterAct Ministries, Inc.'s administration director. Now as we transition to new personnel I will need to be diligent to assure we are remaining informed and compliant. Of course we are aided in the financial arena by both our membership in the Evangelical Council for Financial Accountability (ECFA) and our annual external audit. We also have a very competent finance person in Karen Schweitz, a certified CPA. Since initiation of this report I have met with Karen and she has accepted the responsibility of finance director for InterAct Ministries, Inc. Due to this role change, Karen is being placed on a salary commensurate with her increased responsibilities and time commitment. Jerry Crosby continues to keep us abreast and compliant on all things HR.

Evaluating organizational financial health is another critical board responsibility. As you can see from our audited financial statements and from the report from the Finance and Audit Committee, InterAct Ministries, Inc. remains in a healthy financial position. I look forward to the day, in the not too distant future, when we will have enough new ministry happening that we have grounds for inviting a host of financial partners to join us in the exciting new ministry doors God is opening for us.

Risk management is an important part of any board's responsibility. Due to Roy's oversight we have had minimal organizational risk to this point. The ECFA and our external audit also provide a level of risk assessment and protection, especially in the financial arena. We also have good insurance to cover liability concerns, both on the fields, covering our missionaries' activities and for coverage of board members and senior management. This will be an area I will be monitoring as we move into staff changes and new role assignments.

Policy

As the agenda will attest, InterAct's Board Policy Manual needs periodic revisiting and updating. Although the occasional tweaks are necessary, it still provides "one stop shopping" for most of the board's key policies. If you are not familiar with this manual be sure to look it up on the board site and spend some time perusing it. I will seek to get the online version updated with new board recommendations as soon as possible after this meeting.

Where are we going?

In order to help you understand where I am seeking to lead this organization I thought it would be appropriate to delineate some of my direction for the future.

1. Continue to encourage, resource and challenge my field directors toward development and implementation of InterAct's Mission and Vision, contextualized for their context.
2. Grow the capacity of the organization through increased mobilization efforts (including prayer) and donor development. To move forward in accomplishing our mandate we will need many new workers, many new people to pray and many new financial partners.
3. Continue to develop in our ability to tell well the stories of what God is doing across the North Pacific Crescent.
4. Re-establish a Member Care department with skilled and experienced care givers to minister to our current staff and the new staff we are trusting God to provide.
5. Advance our understanding and practice of good discipleship methodology.
6. Establish accountability across the entire organization through comprehensive implementation of an *Annual Ministry Plan* system.
7. Challenge our staff to a growing relationship with the Father while doing ministry as the natural outgrowth of a grateful heart for all He has done.
8. Establish and support Jerry Crosby as the Director of the U.S. office, overseeing day-to-day operations at this important center.

InterAct has moved forward in the past six months. Eight InterActers attended a week of training on biblical counseling in Lafayette, IN immediately following our last board meeting in February. This was a significant step forward toward greater effectiveness in using the Word to disciple others through the issues of life. Several new ministry efforts took place in Alaska and our new field director is building solid relationships with most of the field. Russia emerged with a clear vision for future direction. Canada continues to advance in implementing their vision and drawing new people to their team. New prospective missionaries are in various stages of the pipeline for all our fields. God seems to be sending us new people at the same rate we are building vision for the fields and the infrastructure to handle them. I rejoice in what He is doing!

I would be remiss if I did not thank you for your thoughtfulness in making it possible for Carol and me to spend a week at Cape Cod. Although it may not have cost the organization a lot of money, by assigning us to go we felt released to step away from ministry for that time. It was wonderful! Thank you so much for being thoughtful of our need for recovery at that time.

I continue to enjoy serving as the executive director of this amazing organization. As you may have heard me say in the past, I frequently feel like a little boy dressed up in my parent's clothes playing "dress up." Then I remember that it is not really about me and my wisdom, gifts or abilities anyway. Rather, it is about what He can do through an available servant. Whatever is accomplished is His doing. I just need to work hard, be faithful and hang on to Him. As they say, "What a ride!"

Respectfully submitted,

J. Dale Smith

Now to him who is able to do far more abundantly than all that we ask or think, according to the power at work within us, to him be glory in the church and in Christ Jesus throughout all generations, forever and ever. Amen. Ephesians 2:20-21. ESV

InterAct's Mission Statement

InterAct Ministries exists to make disciples among least reached peoples in cooperation with like-minded churches and organizations.

InterAct's Vision Statement

InterAct Ministries desires to see reproducing disciples impacting communities across the North Pacific Crescent.

InterAct's Core Values

- Scripture – Authoritative and sufficient for life and ministry
- Relationships – Loving God and loving people
- Cross-cultural ministry – Recognition of worldview and cultural implications in ministry
- Whole-life discipleship – Walking with disciples through all stages of life and growth
- Gathered believers – Recognize the centrality of the local church
- Commitment – High priority on long-term ministries.