Executive Director's Report to the Boards of InterAct Ministries August 2018

Don't you say, 'There are still four more months, then comes the harvest'? Listen to what I'm telling you: Open your eyes and look at the fields, for they are ready for harvest. John 4:35 HCSB.

There is a wide open door for a great work here.... I Corinthians 16:9 NLT.

Thank you for your part in this eternal ministry. Knowing that you are praying for this work, investing in it and giving time to govern it may not always seem eternal but the missionaries serving with us could not do so without your contribution. Our missionaries could not be serving on the ripe harvest fields of Canada, Alaska and Russia without the support structure of InterAct's two boards. Thank you!

By now you will have read the reports of the field directors and the HR directors. This should give you a pretty good idea of what is happening or is not happening under my leadership. There have been some great encouragements and some significant losses and discouragements since we last met. At times I feel like every step forward is challenged. Although I admit we have an enemy with power, I am so glad that we serve a God who is All Powerful! Ultimately He always wins!

Every report you read from the staff is part of my report. They should inform you about the things for which you hold me accountable. So this report will be one that attempts to fill in the big picture that ties our three fields and two offices together. It will also allow you a little glimpse into your employee – me.

One of the things I ask the leadership team to do as they write their reports is to focus on the "ends" that have been accomplished and not focus on the "means and the dreams." I do this for a couple of reasons. First, I do not want them to feel they have to impress you as a board. I want them to remember that they don't work for you but for me. What they should be bringing to you is what we have accomplished. That doesn't mean strategy doesn't matter. It is critical. But that is something I work on with them. As the body to which I report, I will be sharing an accounting that includes both "ends" and strategy. History makes me confident that you will not micromanage how I seek to advance InterAct Ministries, so this report includes accomplishments as well as the plans and dreams I hope to see come to fruition.

State of the Organizations (Inc. and Canada)

As is seen in the financial statements, InterAct Ministries, Inc. is still strong financially. Though not at a dangerous level, income from grants, foundations and donations have declined. Decreasing staff on the Alaska field and more part-time and under-supported missionaries affect income from assessments. With

more than 36 months of operating funds available, our general fund is not in imminent danger but this is a trend I am working to reverse. In order to do so I have moved Thomas Slawson from full-time communications director to a 70% role in donor development, with 30% of his time overseeing two new part-time employees. This should allow us to keep our public communications at an acceptable level. I am confident that Thomas's new role will reverse our current downward trend in operational income.

Largely because of a higher number of staff and the healthy support figures of the Canadian missionaries, Canada continues to be in a good financial position. With the resignation of Wes Schellenberg the office has had to make some adjustments. Melanie Young, who was already training under Wes, is now taking on a greater role in financial oversight. With everyone else in the Canada office picking up the remaining pieces we are in a tenable position. Time will tell if further adjustments are needed.

One organizational need that has impacted all the fields has been the absence of a full time field director for Alaska. Even though it may not have seemed like a lot of time to those in Alaska, my distracted focus as the interim Alaska field director meant less focus on the other fields and offices. With Steve Horsman's confirmation vote in May as the new Alaska Field Director, I feel the freedom to apply myself to places that may have been neglected over the past six plus years. I am confident that Steve has the ability rebuild the Alaska field without micromanagement from me. The key will be developing an understanding with Steve regarding what to discuss with me and what not to discuss. We are figuring it out.

Dan Mayerle continues to do a great job in leading the Canada field. He and Greg's recent handling of Wes's resignation was done with grace, constraint and wisdom. Please feel free to ask me for details about this situation. Working with Dan through the years has been a blessing and I am thankful for the high trust relationship that has developed. Even though he is fully capable of running Canada independently he knows that by working closely together we have a greater result. We connect regularly and he works hard to keep me informed about major issues and strategic concerns.

Lucas Orner, on the other hand, is a long way away. That complicates things. He likely feels like an orphan at times. Like all the field directors on the field leadership team, I do meet with Lucas via Chromebox monthly and we communicate by email in between. My desire, however, would be to invest more in this man. He is a wise and gifted leader, a man of God and a very clear thinker. In spite of the minimal attention he receives he is doing a stellar job of leading and developing the Russia ministry.

You have already been apprised of the new situations in the two offices. Canada is rebuilding how it functions in light of the loss of our Canada administrator. The U.S. office is now more exciting than ever with two new part-time staff kicking around. In fact, staff prayer time after lunch this past Friday was the largest I ever remember seeing. It was encouraging to see and hear new voices joining us as

we prayed for our staff and board members serving across the North Pacific Crescent. I appreciate the heart I see in the staff of both offices. They see themselves as servants, serving the frontline missionaries. They are working hard to serve them well!

Movement toward the "Ends"

A year ago I sought to clarify the "ends" for which I believe you hold me accountable. Some of these had not been clearly stated so I put them on paper and invited you to speak into them. The list included:

- Provide vision and strategy under InterAct's existing Mission/Vision/Values
- Supervise, oversee and assure advancement toward stated "ends" on:
 - o Three fields
 - o Two offices
- Provide for adequate funding of both organizations
- Mobilize new InterAct workers for the harvest
- Assure that new staff are properly vetted and trained for this work
- Plan for appropriate leadership transitions
- Inform and enlist churches and the Christian public as supporters, prayers and goers
- Assure appropriate pastoral care for staff
- Continue growing personally as a leader and as a man of God

Let me unpack each of these further. During my tenure as executive director, both boards have led InterAct to adopt our current Mission/Vision/Values. These are attached at the end of this report if you would like to review them. Besides the addition of six "values," possibly the biggest change was the adjustment of our identity from primarily being a "church-planting" organization to now identifying ourselves as a "discipling" organization. This caused a small stir in places because some felt like we had abandoned the centrality of the local church. The contention was, and I believe still is, that if we properly fulfill Christ's primary mandate to make disciples who make disciples, being taught to obey all things (Matthew 28:19-20), we will have disciples who gather as local churches (Hebrews 10:25). So everything I do is toward that goal – disciples who make disciples that gather as local churches. That is the big umbrella under which I lead.

This discipleship mandate looks different across the organization and on each field. InterAct's principal leadership team, the Field Leadership Team (FLT), is comprised primarily of field directors. Together we plan and strategize how we can advance discipleship across the organization. One of the key ways we are doing that is through teaching and promoting the need for all staff to be making disciples. This has included training at our conferences, providing financial assistance for discipling conferences, giving away and subsidizing discipling

books¹, hosting special discipleship conferences and more. Each field director is seeking to train and challenge his field toward intentional, relational discipleship. Although we are seeing varying degrees of progress, leadership on each field is consistently playing the drum of discipleship. A part of this heart to make disciples has taken the form of finding ways to help people grow through the difficult parts of their spiritual journey. Though there has been pushback from a few, for many Biblical counseling has been one of the tools that has proven helpful in coming alongside people languishing in their spiritual growth journey. Training in how to better use the missionary's primary tool, the Word of God, has proven to be a Godsend for many of our staff as well as for those they are discipling.

Identifying the least reached parts of the North Pacific Crescent is another piece of our current organizational strategy. Alaska has many churches and ministries in urban areas – and even Native Alaskan ministries. We are still gathering the numbers but our research seems to imply that there could still be as many as one hundred remote communities of Alaska (primarily fly in villages) where there is no regular gathering of believers.

Are there strategic implications for Alaska when we see this continuing pattern of unreached areas? I believe there is. Does our history and organizational culture posture us for ministry in the remote and difficult places? Again, I would say so. A great need remains in the urban areas and I am not considering abandoning ministry there. Rather, I am encouraging us to revisit our history and once again place staff in out-of-the-way places. For Alaska this will mean developing a support structure for bush missionaries – and maybe even an aviation program. Stay tuned for further updates.

Siberia has numerous evangelical churches in urban areas yet has very few evangelical Christians in rural regions. In fact, our research suggests there are as many as 10,000 communities, most with no gospel witness. Our greatest hindrance to effective ministry in this vast region is a lack of called and faithful cross-cultural missionaries!

Much of Canada, like Alaska, may appear "reached" when first examined. First Nations have many believers and a degree of momentum. For that we rejoice! God is advancing His kingdom! This means our strategy in ministry among First Nations is now less pioneer and increasingly partnering but the job is far from finished. As we further research the needs of First Nations in Canada, a picture is emerging of huge gaps in our effectiveness. Is there enough momentum among First Nations believers to finish the job without us? In time I believe so. Is it good stewardship to sit back and wait for that to happen or should we do all we can to pioneer new areas while also partnering with First Nations ministries?

¹ Books include: Dann Spader, *4 Chair Discipling: Growing a Movement of Disciple-Makers* (Chicago: Moody Publishers, 214), Colin Marshall & Tony Payne, *The Trellis and the Vine: The Ministry Mind-Shift that Changes Everything* (Sydney: Matthias Media, 2009), and more.

The financial picture of the two organizations is one of the "ends" for which you hold me accountable, but since it was addressed earlier I will not repeat that information. As mentioned, I have tasked Thomas Slawson with investing most of his energy (of which he has a lot) into expansion of InterAct's funding, better posturing us for ministry expansion.

Mobilization of new missionaries is a key responsibility on my plate. Although I do very little mobilizing myself I must assure that it is done. We are an older organization and we are feeling it. At our May staff conference we had a retirement celebration for three effective missionary units (five individuals since Sally Hill is now with the Lord). We now have more retirees on the payroll than we do full-time missionaries in Alaska. This is obviously not a sustainable trend! You will recall that one of the things I did last year was to ask for \$20,000 to be redirected to mobilization. These funds allowed me the freedom to add David Joseph to the mobilization team - and to good effect. We have four summer workers in Alaska as a direct result of his work. This extra budget also allowed me to convene a key meeting of leaders and mobilization stakeholders in Oregon last September. From this meeting I appointed a Mobilization Task Force, charged with studying and recommending how InterAct could become "higher touch" in our recruiting efforts. They have been meeting regularly since then and are recommending some specific hires that will inevitably impact budget - unless we choose to redirect a supported missionary to this endeavor. Regardless of the cost we must have a skilled, highly relational, caring and focused mobilization director and commensurate support staff if we are to turn the corner (humanly speaking). Granted, God is bringing new people to our doors. But the job is huge and we need to apply diligence to locate the right people and then support them all the way to the field.

So what are the numbers? In Canada we have fielded three new missionaries since our last meeting and presently have eleven more in the mobilization pipeline. This is offset by resignations of two couples and one couple retiring. In Alaska we have four couples in the pipeline – one hoping to be in Alaska by September. This is offset by three couples retiring this year. In addition, since the last board meeting Frankie Emrick has landed in Siberia for at least the next eight months. He is planning for career service in Russia.

Another area you are looking to me to provide leadership is in the vetting of missionary prospects and assuring adequate training for new staff. I believe InterAct's vetting process has a reasonable balance between a bar that is set too high and a bar that anyone can get over. In the past year we have had to turn down candidates for both doctrinal issues and for a general lack of knowledge of Scripture. Unfortunately, we are finding an increasing number of candidates coming to us with very poor Bible knowledge and skills. Some have been accepted conditionally, with required further training. Others were turned down with the recommendation they seek further training before reapplying.

Our "onboarding" process varies across our three fields. For Lucas it has not been particularly difficult. With only one new short-term missionary this year, and an InterAct MK at that, the training is more relational and less programmatic. Alaska on the other hand, is working aggressively to produce well defined and intentional materials and curriculum for new staff. Having it ready to go means one more thing off the plate as new staff arrive at our doors. Canada, under HR director Greg Hamilton, has a good start toward "on field" training for new arrivals. Maybe the most encouraging piece of information regarding training is the very good possibility of having George Walker, of Ethnos 360 (formerly New Tribes Mission), joining InterAct. George has been one of the primary trainers for this mammoth organization and has worked closely with former board member Mike Matthews. I know George well and have used him as a consultant and trainer with InterAct several times over the last decade and a half. If he does come on board, and it looks like he will, he will bring a host of professional experience that will greatly help us as we further develop our staff training.

Leadership transition is always on my mind. Leading an organization with many older leaders in key positions, it is high on my priority list to be developing young leaders. Every meeting with the FLT I ask the team for a report on where and with whom they have invested themselves in mentoring future leaders. This is not a clean and neat process, so we cast a fairly broad net and see who we catch. There is always the tension between taking an effective missionary off the front lines vs. taking an less effective missionary off the front lines only to find out that their level of effectiveness is now carried over to their leadership role.

My uncertainty regarding when it would be best to step down from my role has implications for where I invest in leadership development as well (of course you can make that call for me at any time). If I see myself stepping down in the next two to three years it is reasonable to think there may be an ideal candidate to replace me. If I wait five to six years, when I will be seventy, then the above choice will be less than ideal due to age. This would mean investing heavily in multiple younger men with the intention of seeing which choice(s) stand(s) out. Life circumstances can change quickly and other, younger men could suddenly become available. There are numerous men who could possibly do the job, with further experience and maturing. There are issues that could hold them back from being ideal but God is in the people developing business! There is a lot of muddy water out there and that is driving me to mentor broadly, encouraging the same with the leadership team, and praying rigorously for God's direction and provision.

Thomas Slawson has done a good job in producing excellent print materials as well as keeping our website appealing and inviting. Regardless of our excellent product, we have failed to communicate as broadly with the Christian public as we have in the past. Before my tenure there were some significant policy changes related to who remained on our mailing lists. Expense and pushback from missionaries came together to convince the former administration to chop our mailing list down to a minimum. The result: many interested pastors, prayers, carers, goers and givers are no longer on our lists. I have tasked our staff to revisit this and to begin better defining the holes and then rebuilding these contacts appropriately. In some places InterAct has seemed to slide into oblivion simply because no one is hearing stories about what God continues to do through us. I am seeking to turn this ship.

Having good member care for our missionaries is non-negotiable. It is biblical and it is also my heart. Toward that end I encouraged Bill and Lois Twichell to jump into full-time member care. They have the heart and gifting for member care. Although they have been working part-time in this capacity for more than a decade, God has released them to fill a needed gap in our member care. Unfortunately, but obviously part of God's plan, as soon as they began forward motion toward full-time service, Bill's health concerns emerged. We pray for quick and complete healing so they can move forward quickly toward this critical role.

In addition to Twichells, we also have a leadership team comprised of member care oriented men and their wives. Loving people is their heart. As with any leadership role, sometimes their leadership responsibilities seem at cross purposes with their pastoral hearts and the genuine love they carry. But genuine care for those they supervise is always a central component of their leadership. This translates to our staff having compassionate oversight, even if we are understaffed for member care. I continue to seek and pray for more of the right people, folks with cross-cultural experience, training, appropriate skills and godly maturity.

As a trend setter for InterAct, I need to continue growing and learning personally if I am to lead a growing and learning organization. How am I doing in that regard? My response is mixed. I read fairly broadly, although not as broadly as might be beneficial. Although books may be my primary mentors at this stage of life, I am not without people who speak into my life. I have men like Bob Moffat and Gale Van Diest who advise and challenge me. On the two boards there are several men who regularly speak into my life. For that I feel extremely blessed! There are also voices on my leadership team who hold me accountable and encourage me. My wife is a regular voice that gives me good counsel. I am always on the lookout for people who are further down the road in their walk with God and who are more experienced in leading. Maybe the most significant way I am seeking to grow and learn is by seeking to be more teachable. I am finding that my pride often gets in the way. It is much easier to assume I already know more than I do. This kind of posture makes for a very unteachable spirit. Proverbs is proving to be a treasure trove of exhortations to be teachable. I am a slow learner but God keeps chipping away (imagine that). I think the theologians call this progressive sanctification.

Although measuring it is quite intangible, I continue to ask, "How am I doing in my growth in godliness?" I am the last person who can accurately answer that for myself. All I will say is that I am being very intentional about reading Scripture daily, traveling through the Bible on a one year reading plan that include Psalms and Proverbs every day. Memorization and meditation is a growing part of my "spiritual graces." My prayer life is not what I would aspire it to be but it is intentional. My reading includes some challenging writings from men like Jerry Bridges, C.J. Mahaney, Mark Dever and Albert Mohler. Am I growing? Not to the level I would wish but I am confident that He who began a good work in me will complete it (Philippians 1:6).

So this is a wrap. There is a lot more that I would like to say but that I do not want to put in writing. I will try to fill in the blanks verbally when giving my report. Be sure to read between the lines and ask questions.

Let me once again finish this report by listing the key organizational thoughts that guide us. I believe frequently visiting these serves as a necessary reminder of the business we are in. It has been said that "vision leaks." Hopefully the repetition of these strategic statements will serve as a hedge against "mission drift" and leaky vision.

InterAct Ministries Purpose/Vision/Values Statements

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

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

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.

Flowing out of these statements are several other statements that guide our strategies and day to day ministries.

Core Ministries: evangelism, discipleship, counseling, training, leadership development (From InterAct archives)

Core Strategies: determined by the field (From InterAct archives and practice)

Our Desire: To see fully developed disciples among each people group we serve who have formed into local bodies of multiplying disciples across the North Pacific Crescent. (Yes – this is a Dale addition – but fully trained disciples will gather. Gathering as "church" is a key part of "teaching them to obey all things…")

Blessed to serve,

Dale Smith Executive Director InterAct Ministries, Incorporated InterAct Ministries of Canada