

**Philadelphia Yearly Meeting Administrative Council**  
**Saturday, December 10, 2022**  
**Approved Minutes**

*Biddle Room Arch Street Meeting House and remote*

Attending: Jim Waddington (clerk), Andrew Anderson (Treasurer), Chuck Devers, Jeanne Elberfeld, Kruskal Hewitt, John Marquette, Linell McCurry (CFO), Carter Nash, Melissa Rycroft (Presiding Clerk), Cathy Toner, Tom Zemaitis. Christie Duncan-Tessmer (General Secretary) attended Quaker Life Council and joined Admin Council toward the end of the meeting.

Regrets: Neil Holzman

1. Welcome and Worship

The meeting opened with worship at 11:17 a.m.

2. Review and approval of minutes

John Marquette agreed to serve as Recording Clerk for this meeting. **The Minutes of the November 19 meeting were reviewed and approved as presented.**

3. Council Member Service

JoAnn Seaver has requested to be relieved of her service to Administrative Council. Friends approved the release of JoAnn Seaver with regret and gratitude.

4. Nominating Council Clerk Transition

This will be Terri Whiteford's last meeting in service as clerk of Nominating Council. She requested and received approval to step down. Recruitment for the role continues; she will convene the next meeting. Several other Friends have been asked, and one Friend has agreed, to serve as Assistant Clerk. This is an area where input is requested from other members of Council. Please contact Jim Waddington or Christie Duncan-Tessmer with suggested names.

5. Governance Advisory Committee Representative

Neil Holzman has offered his service in this role. **Friends approved Neil's appointment to the Governance Advisory Committee.**

6. Granting Committee Report and Recommendations

On July 16, 2022, Ken Park, then clerk of Granting Committee, presented a report to Admin Council with recommendations. Discussion of the recommendations was scheduled for today.

Andrew, Christie, and Linell did advance work related to potential compliance issues with the Granting Committee's recommendations.

a) Recommendation #1, Expanded membership request.

Admin looked at the request to open membership of granting groups to persons outside PYM. Currently, all members of granting groups must be members of a PYM monthly meeting. The

Granting Committee proposed that at least 51% of granting group members be members of PYM, that at least 75% shall 'self-identify' as and be 'in sympathy' with Quakers, and that a maximum of 25% may be persons from outside of PYM.

Advance material showed that PYM granting groups distribute income from 30 granting funds on behalf of PYM or on behalf of Friends Fiduciary. Only four of those 30 funds, 13% of total, make grants to beneficiaries outside PYM. The dollar value of the grants going outside the PYM community is 6% of total. Grants going outside PYM include the Quaker Fund for Indigenous Communities (Native American initiatives); Natalie Clifford Barney (family planning); the Charleston Fund (repair of meeting houses outside PYM); and the Willits Fund (a bequest to distribute Friends religious tracts).

Friends did note issues and challenges around granting group recruitment. Recruitment could be cast as a call to ministry to the approximately 10,000 Friends in PYM's membership. Zoom allows participation by a wider range of persons, not solely those in the immediate area of Philadelphia. Historically, scheduled meeting times have been inflexible, which makes it difficult for new people to join in. The Granting Committee may be in a good moment to change the way it and the granting groups work within PYM. The Granting Committee is best placed to resolve concerns about participation.

**The Administrative Council did not approve the request to loosen the restrictions on membership for granting groups.**

- b) Recommendation #2, Regarding funding for social justice work, request for a new granting fund.

The Granting Committee requested that PYM take additional distributions from aging and education funds and move them into a social justice fund. The council reviewed this request from several perspectives.

First, the council considered the legal perspective. Advance material included the *Handbook for Charitable Nonprofit Organizations*, put out by the Office of Attorney General, Commonwealth of Pennsylvania, with an introduction by Josh Shapiro. Per the highlighted sections, nonprofit law provides that charitable assets may not be diverted from the purposes for which they were donated. Charitable organizations must honor donor intentions and cannot redirect income to other programs, however worthy. Divergence from nonprofit law brings significant corporate and individual penalties. Linell noted the 2007 example of the Attorney General's action against the AFSC for its non-compliance with the intention of a donor's will and gift.

Second, the council considered the perspective of best practices in distribution. Linell prepared a comparison of granting activity by private foundations and by charities. Private foundations have a federal requirement to spend 5% of prior-year investment assets (the 5% is before costs). Charities like PYM are under Pennsylvania Act 141 and the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Pennsylvania charities elect a distribution rate and apply it to a three-year average of asset value. PYM and Friends Fiduciary follow Act 141.

Third, the council considered the perspective of the question of the need for funding for a racial justice ministry. Jim suggested that we look at ways addressing racial justice work with our current structure.

In conclusion, Administrative Council appreciated that the goals of the Granting Committee were consistent with and aligned with PYM's corporate witness. Council recognized the importance and good intentions of the recommendations. However, the council determined that legal restrictions and the distribution requirements for our organization do not support this path to standing up a new fund. **The council did not approve the recommendation.**

Jeanne Elberfeld and Andrew Anderson, who serve both on Admin and on Granting, offered to explain the decisions to Granting Committee. Friends offered additional suggestions and observations about the process, with attention to our witness to racial justice. We know the granting groups are committed to equity and inclusion in their work. New and future legacies could support PYM's witnesses.

7. Board Demographics

Christie discussed some reasons for collecting and publicly sharing demographics of our council members. One is to provide public information on our degree of diversity; another reason is to make our councils aware of our demographic categories. A third is that it is a tool to keep our focus on how we are representing our full community in our governance structures. Christie informally looks at the demographics of staff at staff meetings.

A Friend noted that the Personnel Committee has decided to collect demographics and Oskar Castro, PYM's Director of HR and Inclusion, has developed an instrument to collect and measure this data; part of this work is already in process.

Another Friend stated that when we look at people, we may make judgments or observations which are not consistent with how people define themselves.

Friends approved adding the following request to the joint council meeting in January 2023:

*Friends approved a request to Administrative Council to voluntarily self-identify the three councils' demographics using the Candid methodology (as described in the advance documents, to aggregate it, and to publish the results on our website. When the data is published, note the reasons for publication."*

8. The meeting closed with worship at 12:31 p.m.

Faithfully submitted,

John Marquette