

**FREQUENTLY ASKED QUESTIONS (FAQ'S)  
REGARDING DISSOLUTION OF THE CORPORATION  
MARCH 22, 2021**

The Pope has declared this The Year of St Joseph. Francis writes:

*Even through Joseph's fears, God's will, his history and his plan were at work. Joseph, then, teaches us that faith in God includes believing that he can work even through our fears, our frailties and our weaknesses. He also teaches us that amid the tempests of life, we must never be afraid to let the Lord steer our course. At times, we want to be in complete control, yet God always sees the bigger picture.* Patris Corde, Apostolic Letter of the Holy Father Francis, Dec 2020

**1. Why this exact moment?**

The sustainability of the current corporate structure has been a continued source of worry for NACAR for many years. The board has shared these concerns in various Member Update letters and Annual reports, particularly since the fall of 2018.

In December 2019, the board named the contextual realities that NACAR as an organization is facing. Leaders of religious congregations, leaders of associate communities, and leaders of not-for-profits will recognize these realities. The decreasing number of religious communities and the limited resources (financial and human) within these communities combine to affect NACAR's financial circumstances. As a membership/dues-based organization this financial situation will only become more of a challenge in the future.

The more immediate concern is the sustainability of the human resources required to support the current corporate structure and provide quality member services. We simply do not have the human resources needed to meet the fiduciary responsibilities of this corporate structure.

**2. What changed?**

The concern is that nothing changed.

In December 2019, the board named *staffing and support* a critical reality stating that NACAR operates with 6 board members, two active committees with a combined total

of 8 non-board committee members, and 4 stipend “contractors.” Over the last few years, it has become more and more challenging to find new board and committee members. This is due in part to the decrease in size of religious congregations and the difficulty in sharing qualified talent.

Notwithstanding the time and effort needed to keep NACAR operational and relevant, the corporate bylaws require a minimum of five board members. State law requires that planning for, and the declaration of dissolution requires a full quorum of the Board of Directors. As of November 2021, NACAR will have only three board members. This is due to natural retirement as terms end. The recent invitation to the membership resulted in only one new board member.

This will not maintain the quorum as required by the bylaws. It is therefore not possible to continue the active work of NACAR beyond Nov. 2021.

### **3. Why Not Just Get More Board Members?**

Although this issue has been most pressing over the last three years, finding qualified board members has been a struggle for NACAR almost since its inception.

The board appreciates present realities:

- 1) there is a diminishing number of vowed religious available to serve on the board;
- 2) many Associate leaders are brand new in their role and not yet ready or available for service on NACAR’s board or committees;
- 3) service at the NACAR level requires a commitment to the Associate-Religious movement in the broadest sense.

Increasingly, religious communities have become less able and/or willing to share the time and/or resources necessary for a qualified associate to serve NACAR, particularly at the board level. This is due in part to the increasing amount of work within the religious Community that necessitates both associate leaders and vowed members to focus on internal issues.

Additionally, in order to meet the current and future needs of a membership organization NACAR is also dependent on a Member Relations/Office Administrative Coordinator and other (contract) staff necessary for the maintenance of the website and to address editorial, accounting, and legal issues. Mary Jo Mersmann, the current Member Relations/Office Administration Coordinator, is retiring on June 30, 2021 and the board would need to find and train her replacement now.

The board does not see these realities changing. Many non-profit organizations are facing the same shortage and same concerns. We are deeply grateful for the congregations that have supported our current and past, board and committee

members, and contractors. As good stewards we know that the current structure cannot be sustained, and to continue to prolong the planning toward dissolution would be a disservice and disingenuous.

#### **4. How did NACAR get to this moment?**

For several years now, NACAR's Board of Directors and its committee members have worked to meet the challenging reality of limited human and financial resources. The board has communicated these concerns to members and has tirelessly planned for the sustainability of NACAR as an organization.

The board has explored financial alternatives and options: developing the strategic plan, updating the dues structure, and applying for and receiving various grants. These grants allowed the board to fund Communication and Development Audits as part of the strategic planning, and to partner with the Virtual Learning Community for Faith Formation (VLCFF) through the University of Dayton.

In response to these audits, the board has worked to streamline operations to create systems that would serve our members. These changes have helped place NACAR in a better financial position, although long-term it will remain an ongoing challenge to secure funds even with minimal contractual support.

However, as noted above, the challenge is not only one of financial resources. It is also about our human resources. The auditing process clearly identified that funding for an executive director was out of the question. Therefore, the animation of the mission of NACAR would primarily still need to be the responsibility of the volunteer members of the Board of Directors and the committees.

#### **5. What other options have been explored?**

Always working to promote leadership within the Associate-Religious movement through opportunities for ongoing development and leadership training, the board has reached out to its members and supporters with invitations to become more actively involved in NACAR. Acutely aware of the challenges ahead, the board has looked for ways to collaborate with regional partners, and other organizations committed to faith-development and the sharing of religious charisms.

Most recent efforts made to promote viability and sustainability, include:

- Exploration of, and application for grants;
- Utilization of grant funding for audits and advisors;
- Creation of new fund-raising models;
- Invitation to members individually, as congregations, or as a regional group in co-creating a sustainable future;
- Direct contact with possible partners;

- Outreach to other like-minded organizations;
- Negotiation of specific opportunities for collaboration;
- Migration of data to more unified and efficient platform;
- Simplification and unification of the website platform and the membership platform;
- Streamlining and simplifying the design of *The Associate* newsletter;
- Preparing to hire a new administrative coordinator including updating role statements for contracted services;
- Repeatedly encouraging congregations to help identify individuals to become new board members.

One year ago, NACAR reimagined its operations in response to the pandemic moving all gatherings online. Ironically, during this time of isolation and struggle, members have celebrated these virtual encounters and embraced the opportunities provided during Creative Conversations, webinars and retreats. They have enjoyed reaching out beyond their usual contacts and even in the face of great loss, have experienced new ways of connecting.

At the same time, the board began the process of seeking a replacement for the Member Relations /Office Administrative Coordinator. This search only highlighted the importance of continuing to examine, closely and honestly, all of the converging elements, the blessings, and the challenges of moving forward within this corporate structure. It was time to ask some very hard questions.

Unfortunately, the board reluctantly came to the realization that, although the re-imagining, new connections and collaborations have been life-giving, they will not provide the kind of ongoing, stable support necessary to sustain the organization.

## 6. What happens next?

NACAR will continue to offer services and activities for the remainder of this fiscal year (June 30, 2021) as described in the March 22, 2021 letter. As of now, the existing board will dedicate its energies to the legal, fiduciary, and ministerial responsibilities of dissolving NACAR in its present form. Please see the timeline below.

## 7. What do you mean by dissolution?

If you are curious about the dissolution of Illinois Not for Profit Corporations, please read the summary document [Understanding Dissolutions](#). You will see that it is a detailed process. The board is committed to keeping you informed of the planning and movement toward dissolution.

## **8. What will happen to the financial and material assets?**

The board will discharge NACAR's financial responsibilities and distribute assets under the laws of the state of Illinois and in accordance with our bylaws. As noted above, a plan to carry out this responsibility will be the focus of the board's work in the coming months.

## **9. What about the website and its archived material?**

The website will be opened up beyond the membership to a broader audience of Associates and Religious as of June 30, 2021. More information on what this will require will be forthcoming. The webmaster will be maintaining the website until the formal dissolution is submitted on June 30, 2022. The board will seek information and advice concerning the website itself and the material archived there as we continue to plan for the distribution of assets.

## **10. Can the history be preserved?**

There will be a legal requirement to hold onto certain materials for a particular length of time following dissolution. The board will fulfill that legal obligation. With regard to other materials, there will be a focused effort to identify materials that may be historically important within the associate movement and to investigate possible ways of preserving that history.

## **11. Will the mission continue?**

NACAR's mission as a membership organization that acts as a catalyst to serve, empower, and promote the Associate-Religious relationship may cease. What will not cease is the movement of the Holy Spirit in the life of associates and their communities.

The board holds firmly to the certainty that:

- God desires to permeate our culture with the charisms and missions of our various congregations.
- God is serious about the future of the Associate way of life as a transformative presence in the church and the world.
- There is a need for an inter-congregational organization that spans geographical boundaries and facilitates intercultural networking and information sharing around significant issues.
- There is a need to serve and develop current and emerging associate leadership so that associate leaders can serve their local communities

Believing that the Associate way of life is a transformative presence in the church and the world, and is part of God's plan, we know that you will continue to live into your

many different charisms. It will be through you and as you work together, for and with one another that the mission of NACAR will resonate and live on.

We have plowed and harrowed and will leave the ground fallow. We dream of its restored fertility when the seeds of NACAR as a catalyst now unsown may take root in new ground and come to new life. We leave space for new possibilities and pray for those who will become the stewards of this new life.

## **12. The Paschal Mystery**

Members of the board are deeply aware that this announcement comes after a year of tremendous loss and grief. Individually and collectively, we are finding our way forward to a new “normal.” Many have lost family members and communities’ members and have not had communal opportunities to grieve. Many have lost the sense of freedom that they knew before the pandemic. We understand that this is one more grief to bear. Let us hold one another in prayer and support as we walk this road together remembering that *“We are an Easter People and Alleluia is our song!”* (St. John Paul II)

## **Timeline as of March 22, 2021**

NACAR will cease receiving membership and membership dues immediately.

Resources on the NACAR website will be available to all registered associates and religious at no cost. The website will be maintained and updated until the final dissolution on June 30, 2022.

All monthly reflections from the board members will end effective July 1, 2021.

*NACAR will continue to offer services and activities for the remainder of this fiscal year as follows:*

**March 30** Zoom with NACAR Board members - Follow-up, prayer, and processing

**April** Next issue of *The Associate* will be published

**April 21** Webinar (free for members):

The Way in the 21st Century - FSPA Affiliate Beth Allen will speak about the associate way of life within the framework of universal values, as featured in her recently published guidebook.

**May 18-20** Charism Carriers Leadership Retreat

Online leadership retreat, with Sr. Carol Zinn, CSJ, offering a keynote reflection. Amy Kulesa and Linda Mastro, both Spiritual Directors, retreat facilitators, and associates of the Sisters of Bon Secours, USA, will guide the remainder of the retreat through periods of prayer, reflection, and contemplative conversation.

**June** Final issue of *The Associate* will be published

**June 30** Last day for orders of Lead with the Spirit leadership manuals and Rookie's Rock

**April – November** Development and implementation of a formal dissolution plan including a plan for distribution of assets.

**November 2021** Final actions necessary to prepare Articles of Dissolution with the State of Illinois.

From November 30, 2021 through June 30, 2022 the remaining three board members will complete the wind down process including transfer of, or discontinuing, the [nacar.org](http://nacar.org) website as identified in the plan for dissolution