

Acquiring and Managing Production Projects

H. Burke Peterson

Brothers and sisters, this morning I'd like to elaborate on Bishop Brown's welfare production challenge, which was for bishops and stake presidents to "become involved in a welfare services production project at the earliest possible time." If your ward or wards are not involved in a production project, please see to it that during your administration they become so. It should be the right kind of project—one which will provide needed commodities for your bishops storehouse—thus assisting the area served by the storehouse to be self-sufficient in its ability to care for the poor and the needy. If your wards are already involved in a production project either on a ward or stake basis, be sure that ward members have opportunities to participate fully and that the project is operated as it should be. As you know, projects may be organized on either a ward, multiward, or stake basis. The key to this challenge is, of course, to accomplish this task during your time in office.

My purpose this morning is to offer ideas on how you can meet the challenge. To do this, let's put production projects in their proper perspective by answering some basic questions. First, how are the poor, the needy, and the distressed cared for in the Church? In the Doctrine and Covenants the Lord says the following:

"All children have claim upon their parents for their maintenance until they are of age.

"And after that, they have claim upon the church, or in other words upon the Lord's storehouse, if their parents have not wherewith to give them inheritances." (D&C 83:4–5.)

When an individual cannot care for himself, his family should provide every assistance possible; and when the family of the needy person has done *all it can do* to provide money or commodities, the bishop is empowered to assist. According to the *Welfare Services Handbook*, the bishop of each ward has "the sole mandate to care for, and the sole discretion in caring for the poor [and needy] of the Church. ... It is his duty and his only to determine to whom, when, how and how much shall be given to any member of his ward from Church funds [or commodities] This is his high and solemn obligation imposed by the Lord Himself. Whoever and whatever the help he calls in to assist him to perform this service, he is still responsible." (*Welfare Services Handbook*, p. 6.) Bishops must remember that they are under sacred obligation to follow the whole welfare services program of the Church as it relates to serving the poor and the needy. One of the key elements that is too often overlooked is the vital need for everyone in the program to work to the extent of his ability. Priesthood leaders who understand will not forget this basic principle. Souls can be destroyed when getting is not a partner with giving.

Next, where do the funds and the commodities come from which are used by the bishops to bless the lives of the poor and the needy? They come from fast offerings to meet cash needs and from the storehouses to meet commodity needs.

Regarding fast offerings, we learned recently that some members of the Church are unsure as to how they may help financially. May we reaffirm that the way members may contribute money to the Church to care for those in

need is to pay a generous fast offering. In the words of President Kimball: “I think that when we are affluent, as many of us are, that we ought to be more generous. Instead of the amount saved by our two or more meals of fasting, perhaps much more—seven times more [should be given]—when we are in a position to do it.” (Filmstrip, *Principles of Welfare Services ... “In Mine Own Way.”*) Certainly every faithful member will respond generously to this call from the Lord’s anointed prophet.

Third, where do storehouses get their commodities to fill bishops’ orders? Through welfare donations and through volunteer work on production projects, members help produce food and nonfood commodities to be placed in bishops storehouses throughout the Church. A storehouse should be available to each bishop so that he may, via a bishop’s order form, issue commodities to help those in need. As a matter of policy, where storehouses are available the bishop should use commodities first before using fast offering funds. By so doing our production base is then properly maintained and utilized; the cost to the Church is generally less when commodities from projects are used instead of fast offering funds to buy from retail stores; and finally, we remain independent from commercial supply, which cannot always be assured.

Next, what are the basic purposes of production projects? First of all, to provide food and nonfood commodities for the poor and the needy. Second, to give members a chance to share part of their abundance with others by generously contributing money and labor. Third, to efficiently produce enough commodities or cash to fill the assigned commodity production budget and to meet annual operating costs. Fourth, to provide work opportunities for those who receive Church assistance. Fifth, to promote local production self-sufficiency so that we can care for the needy. Sixth, to provide land reserves, trained and experienced managers and workers, and if possible a year’s supply of seed, fertilizer, fuel, feed, and so forth, so that additional commodities could be available if needed in the future to help those in need. Seventh, to provide individuals, families, and quorums with experiences in brotherhood and in the production of basic foods. And eighth, to provide for the community a model of efficient management and operation so that projects are successful and reflect a positive image of the Church.

Finally, how can a ward or stake acquire a production project? Regarding the need for involvement in or improvement of a production project, the bishop or stake president should assign his counselor responsible for production to study the matter fully. The assigned counselor should work with the Relief Society counselor who is assigned to represent the Relief Society presidency in production matters. It may also be appropriate to obtain help from a resource person, such as an agriculturalist whose background and experience qualify him to assist in developing the project proposal or a businessman who could assist with a feasibility study. The proposal should conform to the purposes of production projects as herein outlined. The following considerations should be attended to:

1. Is the type of project suitable to the area?
2. Is it compatible with other local projects? Are there too many of one kind? Does it fit into the total welfare plan?
3. What are the estimated financial and time commitments required of ward or stake members?
4. What are the projected dates for approval, acquisition, and operation?
5. The outline of the operating plan should include estimated production, cost of production, net returns, potential for involvement of welfare recipients, and whether the project will fill the commodity production

budget that may be assigned.

6. Further, the proposal should answer such questions as these:

- a. Will the project be accessible to the members? (For example, a ward project may be a better alternative than a stake or regional project if the stake is spread over a large geographical area.)
- b. Will the size and type of the project be suitable for the ward or stake members? (The skill and talent needed to manage the project should be available. There should also be enough manpower to keep the project operating efficiently.)
- c. Is there a history of successful production of the commodity? (It is important to follow proven local agricultural and business practices.)
- d. Will the commodity promote local self-sufficiency? (An area is becoming self-sufficient with regard to food when such items as dairy products, grains, vegetables, fruits, honey, meats, eggs, fats and oil, citrus products or their substitutes, and livestock feed are produced locally.) There should be a basic need for the item to be produced.

After full discussion of the proposal, priesthood leaders responsible should make the decision a matter of prayer. Once the unit has made a decision, it should be discussed in the appropriate welfare services committee meetings as outlined in the handbook. Ward and/or stake approval by the priesthood body is needed. After all local discussion and approvals are secured, application should be made with the General Welfare Services Committee of the Church.

All production projects must be approved by the General Welfare Services Committee. Application forms and information may be obtained by writing to Church headquarters.

Now as you seek to respond to this challenge and prepare a proposal for eventual approval by the General Welfare Services Committee, you will undoubtedly have questions regarding financing. While welfare production projects are entirely owned (100 percent) by the local unit, loans are available, when necessary, from the General Welfare Services Committee for acquisition of the project, and, as necessary for operation, capital improvements and expansion. Acquisition loans can be obtained for up to 75 percent of the purchase price of the project. Loan repayment is determined on a case-by-case basis, not to exceed five years. Please remember that the acquisition cost is *not* to be met from project income, but rather from member contributions. These contributions represent one of the ways by which we live our covenant of consecration.

Let us also remember that your signature on a promissory note with the General Welfare Services Committee is a commitment that binds you and your people to specific terms and conditions.

On a related matter, brethren, we understand that priesthood leaders often make a time commitment to their people by telling them when their contributions will end and that the project will pay for itself on such and such a day. In many instances, it is impossible to forecast this and therefore difficult to meet such a commitment. *It is a far better approach for priesthood leaders to recognize that contributing to welfare is a part of the law of sacrifice and that consecration is a never-ending process.* With the growth of the Church and the need to expand and upgrade welfare projects, it is far better to teach members that there will be a continuing opportunity to contribute to the welfare program. Priesthood leaders should read the handbook and teach the

principles as outlined therein. If our people are taught these and related principles, they feel the redeeming power of contributing and caring for their fellow-beings according to their covenants. They feel the power that comes from imparting of their substance to care for the poor and the needy in the Lord's way. (See D&C 104:14–18.)

Now let's turn our attention to project management. Here we will discuss management principles which, if followed, will help every project.

The number one factor for success on welfare projects is the attitude of the priesthood leaders. Brethren who are anxious to follow instructions, who think positively, and who are enthusiastic will get the job done and be successful.

Welfare projects exist to produce food, so stick to the basics. We are not running experimental farms. We should not be involved in unproven and untested methods. Often projects get into financial trouble when they move from basic food production into such things as exotic breeds, unproven varieties of crops, new and untested technology. Our projects should stay with proven crops and livestock production programs. Let us keep in mind that we are in the business of producing food. In the words of President Kimball, "Let us become efficient in our production operations, so that we don't merely go through the motions of having welfare farms. The time will come when we will need all the products and more from our projects—even more than we do now." (*Ensign*, May 1976, p. 125.)

In addition, brethren, keep in mind that projects need to be managed efficiently and economically. The President has further said, "Do what you can to make our projects economically viable, so that we don't rationalize that the welfare project is good simply because it gets men together. Even though it is good for the priesthood to labor side by side, we can have the brotherhood of labor *and* the economic efficiency too." (*Ensign*, May 1976, pp. 125–26; italics added.)

With these general things in mind, let me list six specific management techniques.

1. *Organization.* Establish a competent committee with a chairman and representation from all units who own the project. When necessary, appoint a qualified manager to operate the project. Committee members should have the sound doctrinal, technical, and practical experience necessary to carry out their responsibilities. This committee should be as permanent as possible to ensure continuity of management. In general, the chairman should have the responsibility for day-to-day decision making. The committee function is similar to that of a board of directors. The manager, if one is hired, should spend the majority of his time in basic production activities that will produce food commodities.
2. *Planning.* Develop and follow a yearly operational plan and budget. An operational plan should detail what, when, why, and how commodities are to be produced and marketed. It will indicate when and how much operating capital will be needed and how and when it can be repaid if borrowed. A carefully prepared and followed plan ensures that your project is economically and operationally sound and efficiently operated.
3. *Operations.* It is critical for the success of agricultural projects that things be done on time. Sound management practices and proven technology are required in today's agriculture. There is a time to plant and there is a time to harvest. Wise planning and diligent, consistent follow-through will help make each project successful. Again, stay with proven local agricultural projects.

4. *Records.* Appoint a competent financial clerk to maintain accurate records and open a separate bank account for the project. The clerk should complete not only monthly reports for Church headquarters, but also production records that can be used by the committee to determine efficiency, cost of operation, profitability, etc. The timely preparation, study, and use of financial reports will improve control of the project and indicate that you truly honor your stewardship. Record keeping must be a joint effort involving the manager as well as the clerk.

5. *Marketing.* A part of planning often overlooked in welfare operations is the marketing of the farm commodities. The Welfare Production-Distribution Department has established a quality assurance program. Only quality products will be accepted by the canneries and storehouses. All crop production above the amount turned to the storehouse needs to be wisely and effectively marketed. The principal challenge is to market quality commodities at the right time and at the best price to help ensure financial viability.

6. *Volunteer Services.* A unique factor of welfare production is the volunteer labor which comes from the members. It takes real planning and follow-through to maximize the efficient use of volunteer labor. As well as the volunteer labor, in many instances projects can benefit from using volunteer local resources such as agricultural extension personnel, businessmen, and experienced farm operators. The training and supervision of volunteer labor on a project by a committee member and/or priesthood leader will allow the manager to spend his time in critical operational functions.

These six principles, if consistently practiced, will ensure project success and generate the satisfaction that always comes when we follow the Lord's plan. By following this approach you leaders will be able to meet the challenge, which is: While you are yet in office your ward or stake will become involved in or work to improve a production project at the ward or stake level.

Some of you may feel that what has been said applies only to projects in the United States or Canada. We wish to assure you that these principles apply to international projects as well. For your information, we now have established production projects in England, Wales, Samoa, Tonga, Australia, and Korea. We encourage priesthood leaders throughout the world to accept this challenge.

To qualify for the celestial kingdom we must obey the laws of a celestial order. One of these celestial mandates is to care for our poor and needy brothers and sisters in the Lord's way. Production projects help us meet this sacred obligation by producing commodities which are distributed through our bishops storehouses. They also help us to become self-sustaining and prepared for eventualities.

While there are many challenges associated with production projects, great blessings flow to those who participate. Older men provide examples to younger boys and men. Fathers and sons, mothers and daughters, parents and children can work together. Discipline, sacrifice, and obedience are learned. Those of different occupations learn to work together. Carpenters, plumbers, teachers, lawyers, doctors, people from all walks of life work side by side. There is opportunity for cooperation, fellowshiping, and missionary work; for strengthening quorum, family, friends, and neighbor relationships. There is skill development and appreciation of the farmer or rancher or businessman. Production projects provide opportunities to develop physical fitness.

And as all of us are consumers, production projects help members learn where their food comes from, and the problems associated with its production. We more fully appreciate the law of the harvest, that what men sow and care for, they reap. All our projects provide men with time for prayer and spiritual growth. On production projects there is opportunity more fully to understand God's handiwork as seen in nature.

These are immediate rewards. There are also long-term rewards, the most important of which is to produce commodities to help the poor and the needy. When we catch the vision of welfare production projects, we will want to participate.

Let us go forth now with power to meet the challenge. Brethren, see that all wards in the Church become involved in or improve production projects during the term of your administration.

May the Lord bless us to do this. In the name of Jesus Christ. Amen.

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