

**MINUTES**  
**(pending)**

**BOARD OF DIRECTORS**  
**September 14–16, 2013**

**1. Call to Order/Opening Devotion/Approval of Agenda**

Chief Administrative Officer Ron Schultz called the first meeting of the triennium to order with all members present. A motion was introduced and carried to approve the agenda as proposed. After members of the board introduced themselves, Chief Mission Officer Greg Williamson, who served as devotional leader for the meeting, provided an opening devotion.

**2. Board of Directors Responsibilities**

Secretary Raymond Hartwig led the board in a review of the board's responsibilities in the Constitution and Bylaws of the Synod, stressing the importance of becoming familiar with the content of the Synod's *Handbook*, identifying the importance of the definitions offered in Bylaw 1.2.1 for a proper understanding, and advocating (with the new operations structure of the Synod now in place) a serious review of the Bylaws to clarify the board's role and responsibilities.

**3. Convention Recap**

President Matthew Harrison provided a review of the 2013 convention from his perspective. He spoke of being pleased with the convention and its tone, noting that most overtures were adopted with significant majorities of votes. He also spoke of work to be done in the coming triennium in response to convention actions, naming several that call for considerable activity prior to the 2016 convention. Discussion followed regarding the positive tone of the convention and the leadership role assumed by the President prior to and during the convention. President Harrison also spoke of the health of the Synod going forward and his interest in making better use of available statistics to help the Synod better use its substantial resources.

**4. Policy Manual Overview**

Due to time constraints, the board agreed by common consent to postpone the scheduled policy manual overview called for by the agenda until a time later in the meeting.

Near the end of the meeting, Chief Administrative Officer Ron Schultz used a PowerPoint presentation to give brief attention to noteworthy topics from the Board of Directors Policy Manual for the beginning of a triennium, including meetings, voting, executive sessions, board committees, board leadership and etiquette, manner of delegating, and matters requiring board actions: budgets, accounting, certain financial transactions, audit matters, property matters, certain human resource matters, legal and governmental matters, and executive officers' liability. He noted that these and the other sections of the manual will receive closer attention throughout the triennium during the policy review process.

**5. Financial Statement Orientation**

Chief Financial Officer Jerry Wulf used a PowerPoint presentation to provide an overview of the current financial status of the Synod, providing information to be borne in mind when statements of the Synod's net assets are provided, explaining the nature of permanent/endowment funds, noting the current fiscal

year's revenue and expense distribution, and reporting the part that the application of unrestricted revenue plays in the payment of various Synod departments' expenses.

## **6. Overview—Appointment of Additional Board Member(s)**

Chief Administrative Officer Ron Schultz called attention to Bylaw 3.3.4.1 (noting its provision allowing for the appointment by the board of up to three at-large laypersons to obtain needed skill sets) and Board of Directors Policy 2.10.1.3.4 (and its requirement for review of the composition of the board at the beginning of each triennium to determine skill sets needed to effectively govern). He then called attention to and offered explanation of a form provided in the board docket providing opportunity for board members to share areas of past experience and expertise to facilitate the board's review of its composition in order to determine whether additional skill sets would be needed.

## **7. Overview—Board Committees**

Chief Administrative Officer Ron Schultz called attention to information included in the docket listing the board's committees and describing their responsibilities. He again called attention to the form provided in the docket soliciting the members' preferences for service on one of the board committees, such information to be considered by the board chairman when assigning committee membership.

## **8. Election of Board Officers and At-Large Member of Executive Committee**

Chief Administrative Officer Ron Schulz called attention to Board Policy 2.6 and its requirements for the election of officers. Michael Kumm and Kurt Senske allowed their names to stand for election as chairman of the board. Following a ballot vote, Michael Kumm was elected chairman of the LCMS Board of Directors for the 2013–2016 triennium.

Victor Belton, Ed Evert, and Kurt Senske allowed their names to stand for election as vice-chairman of the board. After two ballot votes, Ed Evert was elected vice-chairman of the LCMS Board of Directors for the 2013–2016 triennium.

The Executive Committee of the Board of Directors consists of the chairman and vice-chairman of the board, the President and Secretary of the Synod, and one other voting member elected by the board—with the Chief Administrative Officer, the Chief Mission Officer, and the Chief Financial Officer serving as advisory members. Victor Belton, Gloria Edwards, Christian Preus, and Kurt Senske allowed their names to stand for election. After two ballot votes, Kurt Senske was elected member at-large of the LCMS Board of Directors Executive Committee for the 2013–2016 triennium.

A motion was introduced and carried to destroy the ballots. Chairman-elect Kumm assumed the chair of the meeting, expressing appreciation for the confidence shown by his election and asking God's blessing as he carries out his responsibilities.

## **9. Officer Reports**

### **A. President**

President Matthew Harrison called attention to his printed report (pp. 12ff./463, attached to protocol copy of these minutes) and invited comments and questions, noting that he had already reported regarding the convention. There being no additional comments or questions, he was thanked for his report.

### **B. Vice-President**

First Vice-President Herbert Mueller called attention to his report (pp. 15f./463, attached to protocol copy of these minutes), spoke of his involvement in convention preparations and floor committee efforts, the Koinonia Project process, and colloquy activity. He reported briefly and responded to questions regarding a recent meeting with the leadership of Boy Scouts of America.

### C. Secretary

Secretary Raymond Hartwig called attention to his printed report (p. 17/463, attached to the protocol copy of these minutes), presenting the minutes of the board's July 23, 2013 meeting for approval. The minutes (recorded by acting secretary Kurt Senske) were approved as presented.

Secretary Hartwig updated several items in his report before calling the boards attention to his 2013 LCMS Presidential Election Report included in the supplemental docket (p. 37/37, attached to protocol copy of these minutes). He noted in particular the following information in the report:

- Of the 5,527 congregations and parishes eligible to vote, 85% (4,700) sent delegates to district conventions, of whom 86% (4,039) participated in the presidential election
- Presidential election voter participation (78%) was the largest in Election-America's (the company that provided the election balloting process) experience
- With congregational participation broken down according to size,
  - congregations with 0-199 confirmed members had 59% participation (1,520 of 2,556);
  - congregations with 200-499 confirmed members had 84% participation (1,407 of 1,669);
  - congregations with 500-999 confirmed members had 89% participation (512 of 578); and
  - congregations with 1,000-plus confirmed members had 88% participation (237 of 268).
- 604 of 605 electoral circuits had voter participation; 603 of 605 electoral circuits had more than two voters participating.

He also added a report of the cost of the presidential election. The Election-America fee, attendance at district conventions, temporary help costs, and materials and mailing costs totaled approximately \$51,000. He also estimated that the process required 1,381 hours of staff support. Having been through the process for the first time, all costs are expected to be reduced in preparation for the 2016 presidential election.

### D. Chief Administrative Officer

After referring to his report (pp. 18ff./463, attached to protocol copy of these minutes), Chief Administrative Officer Ron Schultz reported on the successful overhauling of the process for the engagement of independent contractors to reduce confusion and streamline the process. He called particular attention to his report on the budget and expenditures for legal services, exceeding the 2012/2013 budget by more than \$63,000, noting the kinds of legal expenses covered and responding to questions from the board. He also reviewed convention actions of particular interest and consequence for the Board of Directors.

### E. Chief Mission Officer

Chief Mission Officer Greg Williamson began his report by announcing the newly-elected officers of the Board for National Mission (Steven Briel, Chairman; Samuel Cosby, Vice-Chairman; and Linda Stoterau, Secretary) and the Board for International Mission (Bernhard Seter, Chairman; Kermit Almstedt, Vice-Chairman; John Edson, Secretary). He commented on the recent National Youth Gathering, its witness to the host city community, and the prominent presence of representatives from the Synod's colleges, universities, and seminaries to recruit church worker students. He reported that he is encouraging a more

aggressive approach to pre-seminary recruitment and education, noting the church vocations report on page 29 of the September issue of *The Lutheran Witness*, this to go hand in hand with the 2013 convention resolution advocating a more deliberate and defined continuing education program for church workers.

Noting his printed report (pp. 65ff./463, attached to protocol copy of these minutes), he provided a report on the Synod's international schools, especially Concordia International School Hanoi; spoke of new efforts in encouraging unrestricted contributions; and requested the board's assistance in advocating subscriptions for *The Lutheran Witness*, "a good way to inform the Synod's congregations regarding Synod happenings."

#### F. Chief Financial Officer

Chief Financial Officer Jerry Wulf called attention to his printed report (pp. 25ff./463, attached to the protocol copy of these minutes) and to the financial statements for the fiscal year ended June 30, 2013. He noted that the 2012/2013 financial results were negatively impacted by the receipt of the Gateway Communications/JOY-FM principal payment of \$1.5 million (sale of KFUE-FM) at the end of the previous fiscal/budget year, an impact that was more than answered by unrestricted bequest income which exceeded expectations by \$2 million.

He also reported other good financial news, including a final remittance from the settlement of a large unrestricted bequest (\$468,000), the remittance by Iowa District West of ten percent (\$142,000) of the proceeds from a bequest received by the district, the distribution by Concordia Publishing House of its net earnings (\$110,000) for the Synod's unrestricted use, and the expectation of a similar distribution (\$160,000) by Lutheran Church Extension Fund.

He also called attention to the new 2013/2014 Mission and Ministry Budget, which includes increased surplus revenue compared to the earlier version of the budget, and concluded his report with additional macro finance information.

#### **10. Legal Report**

As Sherri Strand of Thompson Coburn LLP prepared to give her report, a motion was introduced and carried to move into executive session.

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#### **10X. Executive Session 1**

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After exiting executive session, the board heard the report of the Chief Financial Officer (#9E above) and handled its first two action items (#11A and B below) When President Harrison returned after meeting with the Council of Presidents, a motion was introduced and carried to return to executive session for a final item of the legal report.

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#### **10XX. Executive Session 2**

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When finished with executive session business, the board returned to open session to continue consideration of action items (#11C below).

## **11. Action Items**

### **A. Proposed Changes to LCMS Foundation Bylaws**

David Fiedler, President of the LCMS Foundation, requested the following action as a result of actions taken by the 2013 LCMS convention. The board was assured by the Secretary and Chief Administrative Officer that the convention changes have been reflected properly in the changes advocated by Foundation staff. The following resolution was introduced and adopted.

WHEREAS, The Bylaws of the Lutheran Church—Missouri Synod Foundation (the Foundation) have in the past permitted trustees elected by its voting members to serve four successive three-year terms of office; and

WHEREAS, The Bylaws of the Synod after the 2010 convention no longer included mention of the past practice of four successive terms of office for trustees of the Foundation; and

WHEREAS, The Bylaws of the Synod were amended by the 2013 convention to allow again a maximum of four successive three-year terms of office for members of the Foundation board; and

WHEREAS, The Bylaws of the Foundation and the Synod's Bylaws indicate that the Foundation's Board of Trustees shall consist of two trustees elected by the Synod in convention and seven trustees elected by the members of the Foundation; and

WHEREAS, The Bylaws of the Synod, prior to the 2013 convention having granted to the Board of Directors of the Synod the authority to remove all Foundation board members for cause and fill all board member vacancies, have been amended to allow the boards such as the Foundation board to have the authority to remove board members appointed by the board and to fill vacancies to board positions appointed by the board; and

WHEREAS, It is appropriate and proper, due to the separate corporate status of the LCMS Foundation, for its Board of Trustees to have authority to remove board members elected by the Foundation and to fill vacancies for board positions elected by its members; therefore be it

*Resolved*, That the LCMS Board of Directors approve the following changes to the Bylaws of the Lutheran Church—Missouri Synod Foundation pending successful review and approval by the Commission on Constitutional Matters of the Synod.

## **BYLAWS OF THE LUTHERAN CHURCH—MISSOURI SYNOD FOUNDATION**

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### **ARTICLE II. The Board of Trustees**

Section 1. The Board of Trustees of the Foundation shall be composed of the President of The Lutheran Church—Missouri Synod (the "Synod") or his designated representative, the chairman of the Board for National Mission or his/her representative from that board, two trustees (one ordained minister and one layperson) to be elected by the Synod in convention, and seven trustees elected by the Members. The Chief Financial Officer of The Lutheran Church—Missouri Synod shall be a non-voting trustee. One of the trustees elected by the Members shall be an ordained or commissioned minister from the roster of ministers of The Lutheran Church—Missouri Synod, and at least five of the trustees elected by the Members shall be laypersons experienced in financial, investment, or marketing matters. The terms shall be staggered so that approximately

one-third of the trustees are elected annually. No more than two ~~elected~~ trustees elected by the Members can be from the same district of The Lutheran Church—Missouri Synod, and all trustees must be communicant members of congregations which are members of the Synod. No delegate of a Member of the Foundation, nor any member of the Board of Directors of the Synod, may serve as an elected member of the Board of Trustees of the Foundation.

Section 2. Each newly elected trustee will begin his/her term of office with the first regularly scheduled Board of Trustees meeting following his/her election or appointment, except those trustees elected by the Synod in convention, who shall assume office on September 1 following the convention. Each trustee elected by the Members shall serve a maximum of ~~three~~<sup>four</sup> three-year terms and shall serve until their successors are duly elected and qualified. A trustee shall be ineligible to be elected after serving ~~four~~<sup>three</sup> consecutive terms in office. Each trustee elected by the Synod in convention shall serve a six-year term and shall be ineligible to be elected after serving two consecutive terms in office. A person shall cease to be a trustee at any time that he or she ceases to be a communicant member of a congregation of The Lutheran Church—Missouri Synod.

Section 3. Trustees elected by the Members of the Lutheran Church—Missouri Synod Foundation may be removed by a two-thirds (2/3) majority vote of the Board of Trustees of the Lutheran Church—Missouri Synod Foundation at any time, for cause. Trustees elected by The Lutheran Church—Missouri Synod in convention may be removed by the Board of Directors of The Lutheran Church—Missouri Synod in accordance with the Bylaws of the Synod.

A vacancy occurring in the position of a trustee elected by the Members of the Lutheran Church—Missouri Synod Foundation shall be filled by the Members of the Lutheran Church—Missouri Synod Foundation at any regular or special meeting, in accordance with its Bylaws. A vacancy occurring in the position of a trustee elected by The Lutheran Church—Missouri Synod in convention shall be filled by the Board of Directors of The Lutheran Church—Missouri Synod, in accordance with the Bylaws of the Synod.

~~Elected trustees may be removed by the Members at any time for cause, in accordance with Synod Bylaws governing the removal of members of Synod agency boards. The terms of elected trustees shall be staggered so that approximately one-third of the trustees are elected annually.~~

~~Section 3. Any vacancy in a trusteeship filled by election by the Synod in convention shall be filled by election by the Board of Directors of The Lutheran Church—Missouri Synod. Any vacancy in a trusteeship filled by election by the Members shall be filled by election by the Members of the corporation.~~

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## B. Approval of Convention Minutes

Secretary Raymond Hartwig submitted the following resolution for adoption by the Board of Directors in keeping with the practice of the Synod and the Standing Rules of the 2013 convention that the Board of Directors be responsible for the adoption of the minutes of the final session of the convention. The following resolution was introduced and adopted by the board.

WHEREAS, The 2013 LCMS convention delegates adopted the following standing rule directing that the final day's convention minutes be approved by the Board of Directors:

1. Minutes shall be distributed every next morning in *Today's Business*. The first item of business of the afternoon session shall be the formal approval of these minutes, with the exception of the final day's minutes, which shall be approved by the Board of Directors at its first meeting following the convention. Only corrections to the minutes involving convention actions shall be offered from the floor for consideration. Editorial corrections addressing misspellings of names or faulty references or titles should be provided in writing to the Secretary for incorporation into the minutes.

Therefore be it

*Resolved*, That the Board of Directors adopt the minutes of Session 9 of the 65th Regular Convention of The Lutheran Church—Missouri Synod, July 25, 2013, as provided below.

**Session 9**  
**Thursday a.m. – July 25, 2013**

*Matins*

Chaplain William Weedon led the convention in the Order of Matins, assisted by the Cantor Phillip Magness, organist Jon Vieker, and instrumentalists. Rev. Dr. Charles Gieschen, Professor at Concordia Theological Seminary reminded the assembly that the convention is not meeting to debate the command of Jesus (Matthew 28:16–20). He noted that considerable weight is given to final words offered by departing loved ones, and among Jesus’ final words are those of this text. The universal scope of our mission is clear, as are the centrality of baptism in making disciples and the specific words we are to use. And His divine authority and presence are given in that baptism, which should lead us to have a passionate concern for those who are not baptized, all around us, wherever we live—because our heavenly Father loves each of them and all of heaven erupts in joy at each of their baptisms.

*Committee 8: Registration Report*

After President Matthew Harrison called the session to order, he called on Committee 8 Chairman Dan Gilbert for a registration report:

Voting delegates	1,136
Advisory delegates	155
Advisory representatives	<u>160</u>
Total	1,451

The chair called on the delegates to vote to accept the report by a show of hands. The report was accepted as presented.

*Committee 8: Final Election*

The chair called on the Elections Chairman to conduct the final election, a lay member of the Board of Governors of Concordia Historical Institute, with the results as follows:

Jack D. Kilcrease III	275	357	411
James M. McGarigle	72		
<b>Christopher M. Phillips</b>	271	343	<b>434</b> (declared elected)
Cornelia Schulz	197	145	

This being the final position to be filled by election by the convention, Committee 8 was dismissed with thanks.

*Committee 3: Life Together*

Committee 3 Chairman Donald Fondow recalled the convention’s attention to Res. 3-10A (*TB*, pp. 244f.) and asked the committee’s Vice-Chairman, Nebraska District President Russell Sommerfeld, to provide an explanation of the categories used by the Synod to roster its ordained and commissioned members. During discussion, a motion to amend the resolution by adding a resolve paragraph (*TB*, p. 465) was withdrawn. When asked by the chair whether the assembly was ready to vote on the resolution, it responded in the affirmative by show of hands. The resolution was adopted as presented [Yes: 884; No: 25].

Res. 3-14A “To Encourage Daily Family Devotions” (*TB*, p. 462) was introduced by the committee and adopted by voice vote without discussion.

Committee 3 was dismissed with thanks by the convention.

#### *Committee 5: Seminary and University Education*

Res. 5-03E “To Provide a Procedure for Establishing Policies Governing the Specific Ministry Pastor Program” (*TB*, p. 463) was presented to the convention with comment by Committee Chairman Dale Sattgast, who spoke of it as the product of much input from many. The presidents of the Synod’s two seminaries also provided a statement in favor of the resolution. The committee then moved its adoption. After discussion, the chair obtained the agreement of the assembly to proceed with the vote. Res. 5-03E was adopted as presented [Yes: 883; No: 34].

Res. 5-04B “To Continue and Strengthen the Specific Ministry Pastor (SMP) Program” (*TB*, pp. 365f.) was introduced by the committee, replacing the fourth resolve paragraph with the following: “*Resolved*, That an SMP Committee as described by Res. 5-03E consider the concerns enumerated in the 2013 SMP Task Force Report and in overtures submitted to the 2013 convention of the Synod.” After discussion, a motion to end debate, when vote by show of hands was uncertain, was carried by electronic vote [Yes: 622; No: 294] and Res. 5-04B was adopted as changed [Yes: 803; No: 151].

Res. 5-11B (*TB*, p. 325) was again presented to the convention with a change by the committee to proposed paragraph (a) of Bylaw 3.10.4.7.3, replacing the words “Synod Board of Directors” with “Board for National Mission.” During discussion, the standing rule requiring calling the question on ending debate after 20 minutes resulted in debate being ended [Yes: 668; No: 265]. Res. 5-11B was adopted as changed by the committee [Yes: 590; No: 382].

Res. 5-13A “To Encourage the Recruitment of High Caliber Candidates for Pastoral Ministry” (*TB*, p. 273) was introduced by the committee. After discussion, the question was called and debate was ended by show of hands. The resolution was adopted as presented [Yes: 738; No: 121].

Res. 5-14A “To Conduct a Study of the Alternate Routes to the Pastoral Ministry” (*TB*, p. 273) was introduced by the committee with the insertion of the words “regarding the” before “appropriateness” in the third line of the resolve paragraph, and also inserting “the end of” before “2015” in the final line. After discussion, the chair inquired whether the assembly was ready to proceed with the vote on the resolution, and debate was ended [Yes: 703; No: 174]. Res. 5-14A was adopted as presented by the committee [Yes: 775; No: 134].

Floor Committee 5 was dismissed with the thanks of the convention. Special thanks (standing ovation and prayer) were extended to Committee Chairman Sattgast for his service under difficult circumstances.

#### *Committee 4: Theology and Church Relations*

Res. 4-13 “To Encourage Confession and Absolution for Pastors” (*TB*, pp. 96f.) was introduced by the committee. After a motion to end debate was carried [Yes: 725; No: 109], the resolution was adopted as presented [Yes: 840; No: 32].

Res. 4-11A “To Commend Faithful Service and to Study Proper Roles of Men and Women in the Church” (*TB*, p. 412) was introduced by the committee. A motion was introduced to amend the resolution by replacing its second resolve paragraph with “*Resolved*, That the 2013 LCMS convention encourage the use and study of the existing CTCR report, “The Creator’s Tapestry: Scriptural Perspectives on Man-Woman Relationships in Marriage and the Church” as prepared by the CTCR in consultation with seminary faculties and adopted by the 2010 convention for study within the LCMS.” After discussion of the proposed amendment, debate was ended [Yes: 719; No: 128] and the amendment failed [Yes: 295; No: 582]. The question was called on the resolution without further debate [Yes: 765; No: 150] and Res. 4-11A was adopted without change [Yes: 774; No: 105].

Res. 4-15 “To Reaffirm the Synod’s Position on Creation” (the version submitted by a delegate on p. 465 of *Today’s Business*) was introduced by the committee. After discussion, debate was ended [Yes: 754; No: 87] and the resolution was adopted as presented [Yes: 826; No: 57].

Res. 4-14A “To Clarify the Doctrine of the Call” (*TB*, p. 250) was introduced by the committee. During discussion, the replacement of the words “from office” with “by the calling entity” in the fourth resolve paragraph, and the addition of “*TLH* and” before the words “*LSB* agenda” in the fifth resolve paragraph were accepted by the committee as friendly amendments. After debate was closed [Yes: 812; No: 27], Res. 4-14A was adopted as amended [Yes: 830; No: 30].

Committee 4 was excused with thanks by the convention.

#### *Committee 1: Witness*

Res. 1-15A “To Encourage Further Support for Campus Ministry” (*TB*, pp. 323f.) was introduced by the committee. During discussion, the inclusion of mention of “Gamma Delta and” before the words “Lutheran Student Fellowship” in the fourth resolve paragraph was accepted by the committee as a friendly amendment. After the chair inquired whether the assembly was ready to vote and received a positive response [Yes: 685; No: 28], Res. 1-15A was adopted as amended [Yes: 755; No: 4].

Res. 1-09A “To Prepare LCMS Congregations and Pastors for Defense of Our Christian Faith” (*TB*, p. 321) was introduced by the committee. During discussion, the addition of the words “Lutheran Hour Ministries, seminaries, and Concordia University System campuses” after “Concordia Publishing House” in the second resolve paragraph was accepted by the committee as a friendly amendment. A motion to end debate was carried [Yes: 727; No: 11] and Res. 1-09A was adopted as amended [Yes: 772; No: 11].

The committee introduced three resolutions at the same time: Res. 1-04A “To Encourage Church Multiplication as Means of Making New Disciples” (*TB*, pp. 317f.); Res. 1-05A “To Encourage the Congregations and People of the LCMS in the Joy of Evangelization and the Making of New Disciples” (*TB*, pp. 318f.); and Res. 1-08 “To Work Together in Mission” (*TB*, pp. 53f.). After an amendment to Res. 10-4A to delete the words “who preach God’s Word and administer His sacraments” from the third whereas paragraph was accepted as a friendly amendment by the committee, debate was ended on the three resolutions [Yes: 663; No: 53] and they were adopted [Yes: 738; No: 31].

The committee introduced a motion that the following resolutions be referred to the Offices of National and International Mission as appropriate: Res. 1-10A “To Develop Spanish and Multi-Lingual Capabilities in the Synod” (*TB*, p. 322); Res. 1-12 “To Recognize and Give Thanks for Military and Institutional Chaplains” (*TB*, p. 56); Res. 1-13A “To Designate District Coordinators for Prison and Jail Ministry” (*TB*, p. 323); Res. 1-14 “To Advance Native American Ministry” (*TB*, pp. 57f.); and Res. 1-16 “To Encourage Captioning of All Video Materials” (*TB*, p. 59). The chair asking if there were any objections and hearing none, the motion was carried by voice vote.

Res. 1-18 “To Give Thanks for 100 Years of LCMS Work among Chinese Peoples” (*TB*, p. 461) was introduced by the committee. After brief discussion, debate was closed [Yes: 804; No: 14] and the resolution was adopted by a shouting voice vote.

Committee 1 was dismissed with thanks by the convention. President Harrison used this opportunity also to thank the audio and visual providers, the America’s Center staff, the Southern Illinois District volunteers, the cantor and other musicians, and the provider of the electronic voting system, Padgett Communications.

#### *Committee 7: Structure and Ecclesiastical Matters*

Res. 7-12A “To Address *Handbook* Issues re Dispute Resolution Process” (*TB*, pp. 418ff.) was introduced by the committee, noting changes made since Res. 7-12 was published. After brief discussion, debate was ended [Yes: 634; No: 44] and the resolution was adopted as presented [Yes: 706; No: 46].

Res. 7-04A “To Adopt General Principles for Judging Viability of Districts” (*TB*, pp. 416f.) was introduced by the committee after referring to the report of the Resolution 8-07 Task Force (*Convention Workbook*, pp. 129ff.) and providing clarification of the proposed resolution. After discussion, debate was ended [Yes: 653; No: 93] and Res. 7-04A was adopted as presented [Yes: 776; No: 58].

Res. 7-07A “To Respond to 2010 Res. 8-05B to Change Process for Electing Delegates to Synod Conventions” (*TB*, 285ff.) was introduced with comments by the committee, making changes to proposed Bylaw 3.1.2.1 by changing the word “meet” to “be configured” in paragraph (a) and inserting the word “voting” before “delegates attending the district convention” in paragraph (b). After allowing discussion for a brief time, the chair inquired whether the assembly was ready to cease debate [Yes: 706; No: 107]. Debate having been ended, the resolution was defeated [Yes: 62; No: 830].

At this point a delegate introduced a motion from the floor to rescind Special Standing Rule 24 (*TB*, p. 219). Debate on the motion was ended [Yes: 730; No: 92] and the motion to amend the Standing Rules failed [Yes: 219; No: 678].

As the Committee 7 chairman thanked his committee and the committee was dismissed with thanks by the convention, the chair called the Orders of the Day.

#### *Committee 6: Administration and Finance*

Res. 6-19 “To Amend Bylaw 3.12.2.5 (g), Ranking of Regional LCMS Vice-Presidents of the Synod” (*TB*, p. 377) was introduced by the committee. After the question was called and debate was ended [Yes: 733; No: 53], the resolution was adopted as presented [Yes: 742; No: 81].

As Committee Chairman John Wille was thanking his committee, a motion was introduced from the floor to return to Res. 6-16A, discussion of which had been ended earlier in the convention when the Orders of the Day were called (Session 6). The committee chairman spoke in favor of returning to the resolution and the question was called [Yes: 606; No: 187]. Res. 6-16A was adopted as printed [Yes: 661; No: 160].

#### *Minutes*

The chair called attention to the minutes for Sessions 7 and 8 (*TB*, pp. 476ff.). One change was offered by the Secretary, replacing the number “269” with “296” at the end of the discussion of Res. 3-13A on page 478. With this change, the chair announced the minutes approved as printed.

#### *Committee 8: Final Registration Report*

Committee 8 Chairman Dan Gilbert provided the final registration report, with 1,036 voting delegates still present. With the approval of the report, Chairman Gilbert and his staff were dismissed with thanks by the convention. President Harrison also thanked the delegates, expressing his appreciation for the manner in which the assembly conducted itself and its work throughout the week.

#### *Itinerarium (Prayer before Travel)*

Convention Chaplain William Weedon led the assembly in the Order of Itinerarium, assisted by Cantor Phillip Magness at the organ and Matthew Janssen (trumpet), the devotion ending with the assembly standing to sing “A Mighty Fortress Is Our God.”

#### *Adjournment*

Again using the gavel used for every convention of the Synod for the past 100 years, President Harrison declared the 65<sup>th</sup> Regular Convention of The Lutheran Church—Missouri Synod adjourned in the name of the Father and of the Synod and of the Holy Spirit. Amen.

### C. Concordia Nebraska Energy Project Loan

Following his Concordia University System overview and update presentation (see #12 below), Dr. Alan Borcharding provided background for this requested action, noting the information provided to the board in its docket. Concordia University Nebraska has determined that the best solution for improving energy efficiency and reliability on its campus is by utilizing a system proposed by the Siemens corporation, similar to programs considered by the Board of Directors for Concordia Ann Arbor and Concordia Bronxville. Siemens will guarantee that savings in energy and maintenance costs will exceed financing costs.

Total Project Cost: \$1,689,580  
Annual Savings; \$124,643  
Total Cash Flow (net savings over 15 years): \$86,165  
Terms: 15 years / 3.5% interest

It was noted that this is a popular approach to funding such improvements, the loan being funded by a level of cost savings guaranteed by Siemens. The following resolution was formally introduced and, after brief discussion, adopted:

*Resolved*, That the LCMS Board of Directors approve the proposed energy upgrade project at Concordia Nebraska and the loan financing for the project in an amount not to exceed \$1.75 million.

#### D. Board of Directors Triennium Meeting Dates

Chief Administrative Officer Ron Schultz introduced the following resolution proposing a list of Board of Directors meeting dates for the 2013–2016 triennium. The resolution was formally introduced, discussed, and adopted as follows:

WHEREAS, The Board of Directors traditionally has determined and subsequently published its meeting dates for the upcoming triennium at its first meeting after the LCMS convention; and

WHEREAS, Immediately prior to the previous triennium, the board concluded that it would meet only once each triennium in conjunction with the LCEF Fall Conference (the first year of the triennium), but logistical difficulties precluded implementing this decision during the recent triennium; and

WHEREAS, A relatively small number of Board of Directors members traditionally have attended the entirety of the conference, and under this proposal such members would be encouraged to attend at the board's expense; and

WHEREAS, The President, Secretary, and other officers are unable to attend many of the meetings in which they typically participate due to the large number of meetings that traditionally take place over the same dates as the conference; and

WHEREAS, Due to logistic considerations, the board previously set the dates of its two remaining 2013 meetings, specifically, September 14–16 and November 20–22; therefore be it

*Resolved*, That the Board of Directors of The Lutheran Church—Missouri Synod adopt the following triennial regular meeting schedule for 2013–2016:

**2013**

**2014**

**2015**

**2016**

	February 12–14	February 11–13 <sup>4</sup>	February 17–19 <sup>4</sup>
	May 14–16	May 13–15	May 25–27 <sup>1</sup>
September 14–16 <sup>#</sup>	August 20–22	August 19–21	September 13–15 <sup>2</sup>
November 20–22 <sup>#4</sup>	November 5–7	November 4–6	November 16–18 <sup>3</sup>

<sup>#</sup> Previously adopted by the board (11/2010)

<sup>1</sup> Tentative, depending upon the scheduling of Floor Committee Weekend

<sup>2</sup> Tentative, depending upon the scheduling of new board/commission members installation date

<sup>3</sup> Scheduled in conjunction with LCEF Fall Conference

<sup>4</sup> Possible meeting with Council of Presidents

And be it further

*Resolved*, That the Board of Directors budget continue to make funds available for attendance at the LCEF Fall Conference for those who choose to attend; and be it finally

*Resolved*, That this schedule be published and made publicly available by the Chief Administrative Officer and the Secretary as appropriate, to comply with the spirit of 2007 convention Res. 7-05B “To Promote Transparency in Governance of the Synod and Its Institutions” and Bylaw 1.5.3, which states in part: “All agencies shall announce their upcoming meetings.”

#### E. Board of Directors Committee Appointments

Board of Directors Chairman Michael Kumm announced the following assignments to the board’s Audit, Governance, and Personnel Committees, having honored the stated preferences of the board members, noting that assignments may change if the board decides to appoint additional members as permitted by Bylaw 3.3.4.1.

Audit Committee:	Ed Everts Keith Frndak
Governance Committee:	Victor Belton Gloria Edwards Christian Preus Kurt Senske
Personnel Committee:	James Carter Warren Puck Kathy Schultz

#### F. Appointments to Concordia University System Council of Members

Secretary Raymond Hartwig called attention to the material in the meeting docket containing the names, biographical, and evaluative information of 23 persons whose names were submitted for three appointive positions described in Bylaw 3.6.6.2: “The members of Concordia University System shall consist of the Synod and the colleges and universities of the Synod. The Board of Directors of the Synod and the Council of Presidents of the Synod each shall elect delegates representing the Synod.”

The remaining members of the board’s Personnel Committee from the past triennium were asked to give consideration to the list and provide recommendations. After the committee made its recommendations, the board agreed to vote by ballot from the entire list. The following persons were elected on the first ballot to serve as the board’s appointed delegates:

Myrna Baneck  
Mark A. Kalthoff  
Bethany Kilcrease

#### G. Appointment of LCMS Foundation Members-At-Large

Secretary Raymond Hartwig called attention to the material in the meeting docket containing the names, biographical, and evaluative information of 12 persons whose names were submitted for five appointive positions and one alternate called for by Synod Bylaw 3.6.5.2 and the Bylaws of the LCMS Foundation.

The remaining members of the board's Personnel Committee from the past triennium were asked to give consideration to the list and provide recommendations. After the committee made its recommendations, the board agreed to vote by ballot from the entire list. The following persons were elected on the second ballot to serve as the board's appointed delegates:

Kurt A. Battles  
Jamison J. Hardy  
Marilyn Langemeier  
Judy May  
Robert F. Shonholz  
Mark Moksnes (alternate)

#### 12. Concordia University System Overview and Update

Interim Concordia University System President Alan Borcharding was introduced to provide a general presentation regarding the university system. Using a PowerPoint presentation, he provided general information:

- The total number of students attending Synod colleges and universities for the 2012/2013 school year was 29,597
- 1,545 faculty provide instruction that includes 160 undergraduate and 65 graduate major degrees
- Church worker students receive \$17 million in student aid; all student aid totals \$111 million
- Enrollment has grown in the past 30 years from 6,321 (1982) to 29,597 (2012)
- Operating revenues for 2013 totaled \$435 million; long term debt totaled \$227 million; replacement value of property totaled \$1.3 billion; and permanent endowments currently total \$136 million

He also shared information regarding the management, promotion, and coordination responsibilities of the Concordia University System office and his involvement in numerous system-wide group meetings and collaboration. He listed as current highlights:

- The start of a School of Law by Concordia Portland in Boise, Idaho
- The start of a School of Pharmacy by Concordia Wisconsin at Mequon
- The affiliation of Concordia Ann Arbor with Concordia Wisconsin
- The continued success of the CUenet Teacher Colloquy program
- The success of the "For the Sake of the Church" endowment (\$234 million in gifts and pledges)

Discussion followed regarding high school student recruitment and the upcoming retirements of the presidents of Concordia University Chicago (River Forest) and Concordia University Texas (Austin).

### **13. Concordia Plans Update**

James Sanft, President and Chief Executive Officer of Concordia Plan Services, provided an update of retirement plan changes and health care reform.

#### **Retirement Plan Changes**

The theme for communication in support of retirement plan changes continues to be “Preserve the Core – Sustain the Future,” emphasizing that core retirement plan benefits have not been and will not be affected. The various communication vehicles that have been used (Internet site, letters, comprehensive brochure, Webinars, town hall meetings, presentation at conferences, call center, LCMS convention booth, etc.) have been well received, with activity lessening with the passage of time since the announcement of the changes was made. In general, there is support and appreciation for the actions taken. Concordia Plans will continue to make itself available to the members of the Synod while also monitoring social media and other opportunities to remain aware of public response. Going forward, members will be reminded when changes are coming. Necessary administration changes will be made and resources developed to continue the positive reception that the changes have received.

#### **Health Care Reform**

Implementation of health care reform continues, with major changes to take place in January, 2014. Concordia Plan Services will “stay the course” and do everything possible to assist in providing a seamless transition for ministries and workers into the post-health-care-reform world. Two key issues will remain prominent; (1) the contraceptive services mandate that accompanies health care reform; and (2) the federal subsidies for low-income households to purchase insurance coverage from “exchanges.”

(1) In the first case, Concordia Health Plan remains a “grandfathered plan,” exempting it from some (but not all) regulatory requirements, including the contraceptive services mandate. Some LCMS ministries have “exemption,” while others have “accommodation. (2) Where federal subsidies are concerned, the exchanges will include a significant financial incentive for small employers and low income households.

After the transition to exchanges, Concordia Plans will take an inventory of the situation, staying the course during 2014 and using it as an educational opportunity, with possible comprehensive product overhaul in 2015 to react to changes in the health care environment, meet customer needs, and work at expanding customer base.

Looking to the future, need for the Concordia Health Plan will continue for larger ministries, for workers who do not qualify for subsidies, for workers who choose not to buy on the exchanges, for part time workers, and for LCMS-related entities that desire a “church plan.” In the meanwhile, some assistance may be provided by a proposed U.S. Senate bill which, if adopted, would provide some relief for both key issues. Congressional support will likely increase if current efforts to defund or otherwise oppose federal health care reform do not succeed.

During discussion that followed, a motion to move into executive session to discuss the matter of health care reform was introduced and carried.

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### **12X. Executive Session 3**

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Upon return to open session, Chairman Kumm brought forward the remaining matters requiring board attention.

#### **14. Board Members Q & A with Officers**

Chairman Kumm opened the floor for board members' questions for the officers of the Synod. No questions were forthcoming. It was noted that Executive Director of Accounting Charles Rhodes has announced his retirement effective October 1. Applicants for the position are currently being solicited with the goal of having a new executive in place by December 1.

#### **15. Sundry Items**

- It was announced that board committees would hold their first meetings of the triennium immediately upon adjournment of the meeting to become acquainted with their responsibilities, meet appropriate International Center staff, and to choose their committee chairmen.
- It was reported by Chief Financial Officer Wulf that the amount of the offering taken during the installation service totaled \$2,430.50, to be applied to the Global Seminary Initiative.
- The appointment of additional board members by the elected members of the board to obtain necessary skill sets was again discussed in light of current board policy. No action was taken.

#### **16. Adjournment**

With all business to come before the board having been addressed, a motion to adjourn was introduced and carried. The meeting was closed by devotion leader Greg Williamson.

Raymond L. Hartwig, Secretary