

MINUTES

BOARD OF DIRECTORS Teleconference Call June 11, 2010

184. Call to Order and Opening Prayer

Chairman Donald Muchow called the meeting to order, noted the one item on the agenda for the meeting, and opened the meeting with a prayer. Voting members able to participate in the 11:30 a.m. conference call meeting were: Kermit Brashear, Betty Duda, Gloria Edwards, Raymond Hartwig, Gerald Kieschnick, Donald Muchow, David Piehler, Curtis Pohl, Roy Schmidt, Jeffery Schrank, Kurt Senske, and Walter Tesch. Nonvoting members who participated were: William Diekelman, Thomas Kuchta, and Ronald Schultz. Unable to participate: Victor Belton, Walter Brantz, and Robert Kuhn.

185. Approval of Concordia College Selma Facilities and Funding Plans

Recent Concordia College Selma (CCS) successful efforts to increase enrollment have resulted in the need for additional student housing. The United Methodist Children's Home (UMCH) property adjacent to the campus has become available and its purchase has been advocated by CCS. The acquisition of the property would address the expressed desire of CCS students for more modern, family-styled housing facilities, while also immediately adding 119–160 student beds.

Although the primary drive behind the acquisition of the nearly 37-acre UMCH property is additional student housing facilities, other useful facilities would include a chapel, three single-family residences, an administration building, a facilities services building, tennis courts, and more than twelve acres of vacant land for recreational space and possible future building construction. (The entire acquisition proposal, including detailed property and financial information, amended Facilities Master Plan, and anticipated funding plan are attached to the protocol copy of these minutes).

The Board for University Education/Concordia University System staff has observed that the college's accreditation situation is very positive, with everything indicating that CCS will have an additional year to resolve remaining improvements needed in academic and fiscal areas. The college also is on track to finish the 2009/2010 school year with a positive fiscal result.

The following resolution as presented was moved by Gloria Edwards and seconded by Betty Duda. Following further explanation by Vice-President–Finance—Treasurer Tom Kuchta and participation in the meeting by CUS Interim Executive Director Alan Borcharding to answer questions regarding possible environmental hazards and title encumbrances, a motion was introduced by Gerald Kieschnick and seconded by William Diekelman “that a small committee be appointed to meet with LCMS legal counsel and pursue this matter with legal counsel from Concordia Selma, so that the board can be assured that environment and title concerns have been satisfied.” Ross Edwards was asked to join the meeting to provide addition information regarding the issues raised. The motion on the table having been declared a substitute motion, the board determined to consider the motion by a 5–4 vote. After discussion, the substitute motion was defeated without a negative vote and discussion continued on the original proposed resolution. A motion to amend the final resolve by replacing the words “in a manner that satisfies” with the words “to the satisfaction of the Synod's legal counsel and Chief Administrative Officer, in consultation with” was introduced and carried, following which the amended resolution was adopted without a negative vote, as follows:

Resolved, That the LCMS Board of Directors herewith approve the amended Facilities Master Plan for Concordia College Selma as depicted on the attached map; and be it further

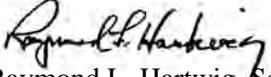
Resolved, That the board herewith approve the request of Concordia College Selma that the college purchase the United Methodist Children's Home property at a cost not to exceed \$3,000,000; and be it further

Resolved, That the board herewith grant authorization to Concordia College Selma to incur loan and investor obligations not to exceed \$3,000,000; and be it finally

Resolved, That the board direct Concordia College Selma to review and resolve any environmental hazards and property title encumbrances to the satisfaction of the Synod's legal counsel and Chief Administrative Officer, in consultation with the institution's legal counsel.

186. Close of Meeting

With no further business to come before the board, Chairman Muchow thanked the board members for their participation and diligence and offered a closing prayer.


Raymond L. Hartwig, Secretary