

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

**BOARD OF DIRECTORS**  
**The Lutheran Church—Missouri Synod**  
**Crowne Plaza Airport Hotel, St. Louis – February 21–22, 2013**

**148. Call to Order, Opening Devotion, Approval of Agenda**

Chairman Robert Kuhn called the meeting to order with all members present for the meeting. Donald Muchow, who served as devotional and prayer leader for the entire meeting, provided an opening devotion based on Luke 13:31–35.

Chairman Kuhn called attention to the revised version of the meeting agenda provided to the board. A motion to approve the agenda was introduced and carried. Chief Administrative Officer Ronald Schultz led a review/update of iPad/Board Effect capabilities, noting the progress that has been made by the board to move from paper to electronic meeting materials.

**149. 2013 Convention Update**

Secretary Raymond Hartwig briefed the board on preparations for the 2013 Synod convention. The Committee for Convention Nominations met January 10–12 in St. Louis and prepared its report to the convention. Ballots are also being received and tabulated by the Secretary's Office for the convention's regional elections, with early results suggesting a light response from the Synod's congregations. Results from the nominations of President and First Vice-President are also pending final tabulation by the Synod's external auditor.

With a little more than a week to go before the deadline for receiving reports and overtures (March 2), more than 200 overtures have been submitted along with many reports as well. Major topics before the convention, from an early look at the overtures, will be licensed deacons, the Specific Ministry Pastor program, and communion practice.

The process for conducting the presidential election via the Internet continues to move forward. Developing and maintaining an accurate email list of the 8,200 potential voters continues to be a challenge. However, the materials to be shared via email will also be provided to the voters via regular mail service, requiring only making contact with the election Web site for casting votes. District offices are currently assisting to make certain that every eligible voter will have opportunity to participate in the vote for President. Of some concern is the cost of conducting this presidential election process, which has been found to require significant expenditures of time, labor, and financial resources.

**150. Concordia Plan Services Report re Plan Changes**

Concordia Plan Services President James Sanft, Board of Trustees Chairman Fred Kraegel, and Legal Counsel Ann Stillman were introduced to present their report regarding changes to the Concordia Retirement Plan and the Concordia Retirement Savings Plan. A motion to move into executive session to receive the report was introduced and carried.

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**150X. Executive Session I**

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Following the report and discussion in executive session, the board acted on the following resolution in open session. In preparation for the vote, board members Raymond Hartwig, Matthew Harrison, Victor Belton, Kurt Senske, and Michael Kumm identified themselves as individual members of the Synod who may be personally affected by this action, expressing their intention to go on record as not acting in the interest of self but as recognizing their duty of loyalty to act in the best interest of the Synod. The resolution, which was moved, seconded, and called vocally, was adopted unanimously.

## **Rationale**

Section 25.1 of the Concordia Retirement Plan (“CRP”) provides that the right is reserved in the Board of Directors of The Lutheran Church—Missouri Synod (“LCMS”) (or its delegate) to amend, change, or modify the CRP retroactively or prospectively, including changing benefits. Section 18.1 of the Concordia Retirement Savings Plan (“CRSP”) provides that the right is reserved in the Board of Directors of the LCMS (or its delegate) to amend, change, or modify the CRSP retroactively or prospectively, including changing benefits. Pursuant to those rights, and after thorough study and deliberation, the Board of Directors of The Lutheran Church—Missouri Synod seeks to amend the Concordia Retirement Plan and Concordia Retirement Savings Plan effective July 1, 2014 in accordance with the following:

1. Accrued Benefits Preserved
  - No changes will be made to retirement benefits being paid to retired workers or surviving spouses
  - No changes will be made to accrued benefits for current terminated vested workers
  - Current active workers’ accrued retirement benefits through June 30, 2014 will be maintained in their normal forms (*i.e.*, with a Normal Retirement Age of 65)
2. Primary Retirement Benefit Preserved
  - The Primary Retirement Benefit will be retained for future benefit accruals (including for service on and after July 1, 2014)
3. Financial Impact on Ministries Minimized
  - Rate for required contributions by participating employers for retirement benefits will be maintained at 8.7% of compensation (for those employers participating in “The Church’s Plan” package; for those employers not participating in that package, the 8.7% rate will be an increase from 7.5%)
  - Mandatory matching contributions in the CRSP will be discontinued, so that the total rate paid by participating employers in “The Church’s Plan” for retirement benefits will not increase, unless the employer chooses to contribute to the CRSP
4. Update to Current Best Practices for Defined Benefit Pension Plans
  - Change Normal Retirement Age from 65 and zero months to approximate the Social Security Full Retirement Age for benefits accrued on and after July 1, 2014
  - “Fair market” rates for converting lump sum benefits to monthly annuities (vs. current practice of more favorable conversion rates) will be used effective July 1, 2014
5. Freeze Supplementary Benefit Accruals effective July 1, 2014

- Eliminate future Supplemental Retirement Account compensation credits
    - Balances continue to earn Interest Credits
  - Eliminate future Retiree Medical Supplement Service Credits
6. Eliminate Early Retirement Subsidies for accruals on and after July 1, 2014
- “Rule of 85” Early Retirement Factors will not apply to accruals on and after July 1, 2014
    - Benefits accrued prior to July 1, 2014 will retain current “Rule of 85” treatment
  - “In Service” Benefit will not be available on accruals on and after July 1, 2014
7. Remove Non-Retirement Benefits from CRP
- \$10,000 post-retirement death benefit in CRP no longer available beginning July 1, 2014 for workers and spouses, but will continue for retired workers and spouses
    - Workers age 55 and over with 5 years of service prior to July 1, 2014 will be grandfathered (\$10,000 benefit will be paid upon the post-retirement death of the first to die of worker and spouse)
    - CPS will negotiate purchase option for death benefit for other workers (any cost to be the responsibility of the worker)
8. Provide Flexibility for Employers and Workers
- Employers: No mandatory match in CRSP
  - Employer options:
    - No contribution
    - Employer choice of contribution (including optional match)
  - Worker option: Amount of salary deferral
    - Worker can save even if there is no Employer contribution

Additional CRP Plan Design Changes: Account Option (200 Participants Currently)

- Reduce accruals of Retirement Cash Account by 0.5% of compensation (2.5%/5.5%), beginning July 1, 2014
- Contribution Rate for all Account Option workers would be 5.7%/8.7%

**Resolution**

*Resolved,* That the Board of Directors of The Lutheran Church—Missouri Synod hereby adopt the amendments to the Concordia Retirement Plan effective July 1, 2014 that were approved for recommendation to it by the Board of Directors—Concordia Plan Services, as shown in the attached copy of the resolution of the Board of Directors—Concordia Plan Services, which was approved at its January 23, 2013 meeting [attached to the protocol copy of these minutes]; and be it further

*Resolved,* That the Board of Directors of The Lutheran Church—Missouri Synod hereby adopt the amendments to the Concordia Retirement Savings Plan effective July 1, 2014 that were approved for recommendation to it by the Board of Directors—Concordia Plan Services, as shown in the attached copy of the resolution of the Board of Directors—Concordia Plan Services, which was approved at its January 23, 2013 meeting [attached to the protocol copy of these minutes].

**151. Officer Reports**

A. President

President Matthew Harrison spoke of “good news for worldwide Lutheranism,” evidenced by the action taken by the Ethiopian Evangelical Church Mekane Yesus to pursue fellowship with the Missouri Synod. He noted that this decision will have great influence throughout Africa, where relationships with the LCMS continue to grow stronger. It constitutes the “largest shift in Lutheranism in our lifetime, probably two lifetimes.” It matters greatly for the sake of regard for the Small Catechism, lost in recent times in the European north where Lutherans no longer are able to draw lines on any theological issues. This is African Lutheranism saying it will not go the same route as the Europeans, important for the Lutheran Confessions around the world.

President Harrison also spoke of the Newtown school shooting and rehearsed the chronology of events that took place following and his participation in working through difficult decisions that followed.

Referring to his printed report in the meeting docket (pp. 13ff., attached to the protocol copy of these minutes), he spoke of being “delighted” that the Synod is “in the black financially, new for the Synod,” and briefly touched on other subjects:

- International Center staff is doing well, with morale continuing to climb
- Much time and effort is being concentrated on the international schools and related policies
- Convention preparation is in full swing, with delegates having received their first communication
- Participation by Board of Directors members in meetings of convention floor committees will be welcomed.

#### B. First Vice-President

First Vice-President Herbert Mueller called attention to his printed report (pp. 17ff., attached to the protocol copy of these minutes) and responded to questions. He also spoke of Mekane Yesus pastors already in the U.S. who are going through the colloquy program, and information was provided regarding the “Global Seminary Initiative” that is underway.

#### C. Secretary

Secretary Raymond Hartwig called attention to the minutes of the November 15–16, 2012 meeting of the board in Orlando. A motion was introduced and carried to approve the minutes as presented. He also called attention to his printed report (pp. 20 – 21, attached to the protocol copy of these minutes) and responded to questions.

#### D. Chief Mission Officer

Chief Mission Officer Gregory Williamson highlighted items from his printed report (pp. 68ff., attached to the protocol copy of these minutes), speaking of the positive collaboration that is taking place among the leadership at the International Center, now including Randall Golter as Executive Director of the Office of International Mission. Both mission boards continue to work on policies governing the activity of the mission offices and are coming to the end of the first phase of this effort, with policy manuals soon to be forwarded to the Commission on Constitutional Matters for review.

He also spoke of efforts to develop a strategic plan for recruitment and pastoral formation, of the pooling of resources that has taken place as one of the positive results of restructuring, and of the importance of continuing to move in the direction of discipline and planning.

#### E. Chief Administrative Officer

Chief Administrative Officer Ron Schultz highlighted specific content from his printed report (pp. 22ff., attached to the protocol copy of these minutes). The FCC has granted a new 8-year license to KFUA AM, valid until February 1, 2021, the culmination of a very arduous five-month application process. He also reported on three operational studies that have been conducted in recent months: (1) a building operations/facilities management review of use of in-house resources to perform property management functions, which found such use of in-house resources to be in line with comparable known properties; (2) a review of the food service operations to determine the best method for providing desired services, finding a change in service from the use of in-house staff to be the most cost effective approach going forward; and (3) a review of the copy and mail center operations, with a decision regarding future direction to be made during the coming budgeting process.

He also noted the change of position of David Fiedler from Executive Director of General Services to the position of President of the LCMS Foundation and described the interim arrangements that have been put in place to handle the general services responsibilities until the executive director position is filled.

#### G. Chief Financial Officer

Chief Financial Officer Jerald Wulf called attention to his printed report (pp. 32ff., attached to the protocol copy of these minutes) and to the most recent financial statements. He noted that the Synod has nearly \$18 million in cash on hand, with the long-standing deficit resulting from internal borrowings now reduced to \$6.6 million. At the present time revenue is \$347,000 behind budget, with expenses of \$1.4 million less than budget. He noted at several sizeable bequests have made a large difference in this year's financial picture.

He also report that he has received budget figures from all 35 district, with planned contributions to the Synod to be reduced by \$73,000. Approximately \$15 million in district contributions are expected for the next fiscal year.

He noted that reductions in budgeted income from bequests continue, hopefully to be removed from the anticipated income budget in the near future. The planned national offering in connection with the 2013 convention will be helpful. There is no principal payment due from the sale of KFUA FM. After discussion of the report, it was agreed that a letter will be developed commending the districts for their efforts to keep their contributions to corporate Synod at the same level.

#### **152. Hong Kong International School Amended Articles of Agreement**

Board for International Missions member Butch Almstedt addressed the Board of Directors on behalf of his board, advocating acceptance of a proposed new agreement with Hong Kong International School. In his presentation he spoke of the legal ramifications and importance of relationships, of the history of the proposed new operating agreement, of the changes being proposed, and of the need for the Synod to give serious thought to where it intends to go from here with respect to the Hong Kong, Shanghai, and Hanoi schools.

Later in the meeting, after discussion of the presentation, a motion was introduced and carried to adopt the following resolution, submitted by Randall Golter, Executive Director of the Office of International Mission, "To Revise the Operating Agreement with the Hong Kong International School Association Ltd."

WHEREAS, Over the past years discussions and negotiations have ensued between the Board of Managers (BOM) of Hong Kong International School Association, Ltd. (HKIS) and the LCMS—at that time through the Board for Mission Services (BFMS)—concerning updating and revising the Operating Agreement (entered into on March 24, 1974 and revised on September 5, 2002) between the BOM of HKIS and the LCMS relative to the operations of HKIS; and

WHEREAS, The outstanding issues between the BOM and the LCMS concerning the necessary revisions and updates have been agreed to as evidenced both by (1) the BOM of HKIS approving the attached revised Operating Agreement and (2) the individuals undertaking the negotiations for the LCMS accepting the same (based primarily on the LCMS draft approved by the BFMS dated February 18, 2009); and

WHEREAS, The Board for International Missions at its meeting February 8th and 9th received a report that the purpose and wording of the revised Operating Agreement complies with LCMS Bylaw 3.8.3 as incorporated under Policy Guideline 10 of the Board for International Missions, specifically,

The BIM shall develop policies that support...a system of world class international schools in major international metropolitan centers that leverage academic excellence with the opportunity to clearly proclaim the words and words of God to both Christian and non-Christian students, thereby equipping and training Christian students and faculty to witness and show mercy in their present and future lives....

And with specific reference to the schools located in Hong Kong, Shanghai, and Hanoi,

[T]he school will offer a program of Lutheran education at the highest level of academic standards and will serve the community in a manner consistent with the doctrine and teachings of The Lutheran Church—Missouri Synod as spelled out in Article II of the Constitution of The Lutheran Church—Missouri Synod.

Therefore be it

*Resolved*, That the Board of Directors of The Lutheran Church—Missouri Synod approve the attached Operating Agreement between Hong Kong International School Association, Ltd. and The Lutheran Church—Missouri Synod and herewith authorizes the execution of the agreement by the appropriate representative(s) of Synod.

### **153. Committee Reports**

#### **A. Personnel Committee**

Personnel Committee Chairman Donald Muchow served as spokesman for his committee, noting two items of business to report.

- (1) The committee reported on its discussion of the candidates for the vacant position on the National Lutheran Housing Support Board. [While this was being reported, it was noted that the Housing Board was making several additional names available for consideration, prompting the Board of Directors (after consulting with Housing Board representatives to make certain that postponing a decision would not curtail their work) to postpone its decision until its next meeting.]
- (2) The committee recommended four resolves pertaining to employee compensation for action by the board. Later in the meeting, after discussion and minor changes, the resolves were adopted as follows:

*Resolved*, That effective March 1, 2013, the salary ranges be adjusted by approximately 2.5 percent to reflect compliance with the 2006 BOD philosophy of using the average of the top paid 150 parish pastors and the top paid 150 institutional executives as the basis for the Class 6 mid-point. The remainder of the salary scale will be adjusted accordingly, as detailed in the attached report; and be it further

*Resolved*, That as of July 1, 2013, employees whose compensation falls below the minimum for the new salary classifications shall have their pay adjusted to reflect the new minimum for that range; and be it further

*Resolved*, That the “salary increase budget” for 2013/2014 (FY14) be set at up to 2.5 percent with some employees receiving more and some less; and be it finally

*Resolved*, That the bonus budget for FY14 be set at .5 percent of the FY14 salary budget.

#### B. Audit Committee

Audit Committee Chairman Curtis Pohl provided an oral report on behalf of his committee. Included in the business addressed by the committee in preparation for the board meeting were (1) continued improvement in documentation and supervisor accountability for the Purchase Card Program; (2) the prospect of a cost increase in the next fiscal year’s Synod audit due to required changes in accounting procedures; (3) the status of the audits of LCMS synodwide corporations; and (4) internal audit staffing needs.

He also reported that Internal Audit Executive Director Joann Spotanski reported to his committee that her department is on target to meet their current year goals and objectives. The Audit Committee also approved the 2013/14 goals and objectives that she presented.

#### C. Policy Committee

Policy Committee Chairman Kermit Brashear reported on behalf of his committee, recommending the adoption of the following policy change resolution and reporting that a second action having to do with the Facilities and Services Management Board will be held back by the committee for consideration at a later meeting.

The committee therefore proposed adoption of a resolution to amend board policy 2.10, “Committees of the Board of Directors.” The resolution takes into consideration comments and suggestions surfaced during previous board self-evaluation surveys advocating the formation of a Governance Committee for the board. The matter had been referred to the Policy Committee for further research and recommendation. The proposed resolution was presented to the board for adoption later in the meeting when, after its introduction and discussion, it was adopted as presented, as follows.

*Resolved*, That a Governance Committee be established as a “committee of the board” having the general responsibilities to oversee and assist with the corporate governance of the Board of Directors. These include:

- Review and oversight of the Board of Directors Policy Manual (as is the current practice)
- Provide input to the chair and the Chief Administrative Officer regarding board meeting calendar to ensure alignment with budget and strategic planning calendar

- At the beginning of each triennium, conduct a review of the composition of the Board of Directors and make recommendations to the board regarding the skill sets needed to effectively govern for the coming triennium
- Oversee the appointment process for the appointment of new directors
- Recommend to the Board of Directors the appointment of any new directors based on the criteria identified
- Oversee the director performance and board evaluation processes;

and be it further

*Resolved*, That Section 2.10 of the Board of Directors Policy Manual be revised to read as follows:

## **2.10 Committees of the Board of Directors**

(February 22, 2013)

2.10.1 The committees of the board shall be:

2.10.1.1 An Audit Committee of at least three voting members of the board, which will meet at least semi-annually with the Executive Director of Internal Audit. The committee shall:

- 2.10.1.1.1 Operate under the Audit Committee Charter (Board Policy 5.3.2)
- 2.10.1.1.2 Review the work and plans of the Audit Department
- 2.10.1.1.3 Meet at least annually with the independent auditors to discuss their findings
- 2.10.1.1.4 Monitor the audits of other Synod corporations, agencies, and institutions
- 2.10.1.1.5 Recommend board action on those audit matters requiring board approval under Board Policy 3.2.4

2.10.1.2 A Personnel Committee of at least three voting members of the board, which will meet at least annually with the Chief Administrative Officer and the Executive Director of Human Resources. The committee shall:

- 2.10.1.2.1 Monitor the compensation system of the International Center
- 2.10.1.2.2 Monitor the Human Resources Policies and recommend board action on those human resources matters requiring board approval under Board Policy 3.2.6
- 2.10.1.2.3 Serve as a screening and, when appropriate, nominating committee of the board for appointments to Synod corporations, boards, and commissions.

2.10.1.3 A Governance Committee of at least three voting members of the board, which will meet at least semi-annually. The committee shall:

- 2.10.1.3.1 Review, make recommendation, and publish the board's policy manual
  - 2.10.1.3.1.1 Specific recommendations for new or amended policies must be submitted to the Governance Committee for review prior to consideration by the board. The committee will report to each board meeting as necessary and recommend board action on policy changes
- 2.10.1.3.2 Provide input to the chairman and the Chief Administrative Officer regarding the board meeting calendar to ensure alignment with budget and strategic planning calendar
- 2.10.1.3.3 Plan a triennial retreat for the Board of Directors, in coordination with the chairman and the Chief Administrative Officer
- 2.10.1.3.4 Review the composition of the board at the beginning of each triennium and, as necessary, make recommendation to the board regarding any skill sets needed to govern effectively for the coming triennium
- 2.10.1.3.5 Oversee the appointment process for directors as identified in Bylaw 3.3.4.1 (5) and recommend to the board a slate of candidates for the appointment of any such directors under this bylaw
- 2.10.1.3.6 Oversee the director performance and board evaluation processes.

2.10.1.4 Such *ad hoc* committees as the board may establish from time to time.



2.10.2 Responsibilities of the committees of the board shall be limited to those specifically established by the board. Committees of the board shall not take independent action but shall report or make recommendations to the entire board.

2.10.3 Committees may use the Chief Administrative Officer or other staff persons designated above to carry out their responsibilities.

#### **154. Legal Report**

As Sherri Strand of Thompson Coburn LLP prepared to deliver her legal report to the Board of Directors, a motion was introduced and carried to move into executive session.

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#### **154X. Executive Session II**

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#### **155. Action Items**

##### **A. Request to Grant Exceptions for Convention Attendees**

Chief Administrative Officer Ron Schultz provided a brief introduction of this resolution, which was prompted by preparations for the 2013 Synod convention. It was then formally introduced and adopted.

##### **Background**

Bylaws 3.1.3 and 3.1.4 governing advisory delegates and representatives detail the various persons and groups whose attendance at Synod conventions is required. Such persons' expenses are paid under the convention budget adopted by the Board of Directors.

It is not clearly stated in the current bylaws that the appointed officers of the Synod, who clearly have reason to be present, are among this group of advisory delegates. At the same time, Bylaw 3.1.4.1 (c) identifies the Board of Directors as the body to which exception requests are to be directed: "Other exceptions must have the approval of the Board of Directors of the Synod prior to each convention."

This resolution intends to remove any question regarding the required attendance of the Synod's Chief Administrative Officer, Chief Financial Officer, and Chief Mission Officer and thereby also clarify how their convention expenses are to be paid.

Therefore be it

*Resolved*, That the LCMS Board of Directors, in accordance with Bylaw 3.1.4.1 (c), grant exception for the following appointed officers of the Synod to attend the 2013 LCMS convention, their expenses to be paid from the convention budget:

- Chief Administrative Officer
- Chief Financial Officer
- Chief Mission Officer

And be it further

*Resolved,* That the LCMS Board of Directors endorse the recommended change by the Commission on Handbook to Bylaw 3.1.4 for consideration by the 2013 Synod convention, thereby providing a permanent solution to this situation:

**PRESENT/PROPOSED WORDING**

- 3.1.4 ~~Elected officers~~Officers of the Synod, including district presidents, and representatives of the Synod's boards, commissions, educational institutions, mission areas, chaplains, and district boards of directors shall also serve as advisory representatives to the conventions of the Synod.

**B. Thrivent Block Grant**

Each year for a number of years, Thrivent Financial for Lutherans has awarded a church-wide grant to The Lutheran Church—Missouri Synod, the Board of Directors granting final approval of its use. Chief Administrative Officer Ron Schultz introduced the following action as submitted by the President of the Synod, which included a detailed report of the apportionment of the grant monies (attached to this protocol copy of these minutes). He also explained that this will be the final year for this block grant, Thrivent having determined to change its granting process to allow its members to decide where this grant money will go in the future. The resolution was formally introduced and, after brief discussion, adopted as presented.

WHEREAS, Thrivent Financial for Lutherans annually awards a church-wide grant to The Lutheran Church—Missouri Synod (LCMS); and

WHEREAS, Thrivent has notified the LCMS that it will awarded \$1.125 million for the 2013/2014 budget year; and

WHEREAS, The Lutheran Church—Missouri Synod Board of Directors adopted a resolution at its November 2006 meeting which stated, in part, “that final approval for the use of the Thrivent Block Grant funds is the responsibility of the Board of Directors and will typically be approved during the annual budget process”; and

WHEREAS, Changes to the Synod's program governance structure made in 2010, effectively eliminating the Corporate Synod Executives (CSE) group noted in the same resolution, require altering the historical process; and

WHEREAS, The program office, commission, and Board of Directors executives individually submitted applications for the Thrivent Grant Funds for 2013/2014; and

WHEREAS, The President reviewed and prioritized the submitted applications with input and consultation, per the November 2006 resolution from the Chief Administrative Officer and other officers and herewith makes recommendation to the Board of Directors; therefore be it

*Resolved,* That the LCMS Board of Directors endorse the projects submitted as follows, and that the proposed project be funded using the 2013/2014 Thrivent Churchwide Grant; and be it further

*Resolved,* That the 2013/2014 corporate Synod budget include these projects, including all expenses and sources of revenue, with the funds assigned to the units as shown; and be it further

*Resolved*, That the board reserves the right to alter this endorsement prior to or during adoption of the 2013/2014 budget at its May meeting; and be it finally

*Resolved*, That the Board of Directors request that the President of the Synod and the Chairman of the board, upon receipt of the 2013/2014 grant, convey on behalf of the members of The Lutheran Church—Missouri Synod its thanks for Thrivent Financial for Lutherans’ support of the Synod’s ministry activity.

The following is a breakdown of the apportionment of the 2013/2014 Thrivent grant monies:

<u>Project Title</u>	<u>Grant Amount</u>	<u>Department</u>
Pre-Seminary Program Directors Gatherings	\$ 20,000	Pastoral Education
Latin America Seminary Training	45,000	International Mission
School Leadership and Development (SLED)	70,000	National Mission
Strengthen Lutheran Ministry with/of RSOs	30,000	National Mission
Expanding the Rural Gospel	43,000	National Mission
Resourcing Worship Leaders of the Future	40,500	National Mission
National Youth Gathering Future Search Conference	37,000	National Mission
Cong. Based “Gospel Seeds” Trainer Workshops	30,000	National Mission
“LCMS U” Campus Ministry Conference	25,000	National Mission
Disability Task Force	15,000	National Mission
Parish Nurse Vocation Promotion	12,000	National Mission
International Conference for Confessional Lutherans	175,000	CTCR
Leipzig Lutheran Church Plant	20,000	International Mission
PALS Program Course Development	22,500	Pastoral Education
<i>Lutheran Witness</i> “State of the Synod” Report	36,250	Communications
WMLT Social Media Campaign/Mission Advancement	38,250	Communications
Matura Leadership Series	36,250	Human Resources
Synod Fiscal Conference	85,000	Chief Financial Officer
Inaugural LCMS Annual Report – 2014	75,000	Mission Advancement
Phase 3 – Money Management/Giving Habits	89,250	Mission Advancement
Expanding Base of Support – National Mission Work	<u>180,000</u>	Mission Advancement
TOTAL	\$ 1,025,000	

#### C. Proposed Convention Overture re Church Worker Health Care Coverage

President Matthew Harrison submitted the following proposal for a Board of Directors overture to the 2013 convention. It was introduced and adopted without discussion.

*Resolved*, That the LCMS Board of Directors submit the following overture for consideration by the 2013 LCMS convention:

#### **To Encourage Full Consideration of Church Workers’ Continuing Needs for Health Care Coverage**

WHEREAS, Article III “Objectives” of the Constitution of The Lutheran Church—Missouri Synod states that “[t]he Synod, under Scripture and the Lutheran Confessions, shall...aid in providing for the welfare of pastors, teachers, and other church workers, and their families in the event of illness”; and

WHEREAS, Synod Bylaw 1.3.4.1 states that “members [of the Synod] agree...to assist in carrying out the objectives of the Synod (Art. III), which are objectives of the members themselves”; and

WHEREAS, Synod Bylaw 3.7.1.1 (b) states: “The ‘Concordia Health Plan for Ministers of Religion and Lay Workers of The Lutheran Church—Missouri Synod, Its Member Congregations, Controlled Organizations, and Affiliated Agencies’ is the health plan adopted by the Board of Directors of The Lutheran Church—Missouri Synod pursuant to Res. 10-02 of the 45th convention of the Synod”; and

WHEREAS, The Patient Protection and Affordable Care Act (“PPACA”), also known as health care reform, was signed into law on March 23, 2010; and

WHEREAS, Under PPACA, a federal or state “exchange” is to be established in each state by January 1, 2014 to provide information about choices for health care coverage for individuals; and

WHEREAS, Under PPACA, some individuals may be entitled to significant federal tax credits toward the cost of such coverage; and

WHEREAS, The choices for health care coverage will differ from state to state; and

WHEREAS, Since its creation, the Concordia Health Plan has provided health care coverage consistent with the beliefs of the Synod; and

WHEREAS, The choices for health care coverage offered through a state or federal exchange or other sources may or may not be consistent with the beliefs of the Synod; therefore be it

*Resolved*, That the Synod encourage each agency of the Synod and each congregation employing workers to study and consider fully the continuing needs of their workers for health care coverage; and be it further

*Resolved*, That ministry leaders and workers engage in conversation about workers’ health care coverage; and be it further

*Resolved*, That Concordia Plan Services be utilized as appropriate as a resource on the issue of health care reform; and be it finally

*Resolved*, That when decisions on health care coverage for workers are made, ministries seek to balance the needs of workers and ministries.

#### D. Proposed Convention Overture re Consolidation of Colleges/Universities

Chief Administrative Officer Ron Schultz provided explanation for his proposal to the Board of Directors to submit the following overture to the 2013 Synod convention. After the proposed action was introduced and discussed briefly, it was adopted as follows.

*Resolved*, That the LCMS Board of Directors adopt the following overture for submission to the 2013 LCMS convention.

#### **To Amend Bylaw 3.6.6.5 re Procedure to Consolidate Colleges/Universities**

##### **Rationale**

The current procedure for consolidating, relocating, separating, or divesting a college or university makes it a complicated and potentially lengthy process. This process is inappropriate in the case of a potential separation (making independent) or divestiture (sale), given the irreversible nature of those decisions.

However, a potential consolidation of two LCMS colleges and universities or a potential relocation of a college or university is a matter that may be necessary within a relatively short period of time. Since such action would retain the institutions as part of the Synod, it seems advantageous to accomplish such consolidation or relocation with a less arduous, more agile procedure.

The proposed bylaw will make it easier to consolidate or relocate by allowing the decision to be made by the LCMS Board of Directors plus one of three other entities, rather than one of two other entities. Therefore be it

*Resolved*, That Bylaw 3.6.6.5 be amended as follows:

#### ***Concordia University System***

3.6.6.5 In keeping with the objectives and the Constitution, Bylaws, and resolutions of the Synod, the Board of Directors of Concordia University System shall ...

(j) together with schools, districts, congregations, and national efforts, foster continuing education for ministers of religion—commissioned;~~and~~

(k) have authority to consolidate or relocate a college or university after receiving the consent of the Board of Directors of the Synod by its two-thirds vote and the consent of any one of the following: the Board of Directors of Concordia University System by its two-thirds vote, or the Council of Presidents by its two-thirds vote, or the appropriate board of regents by its two-thirds vote; and

(~~k~~) have authority; to separate or divest a college or university after receiving the consent of the Board of Directors of the Synod by its two-thirds vote and also the consent of either the Council of Presidents by its two-thirds vote or the appropriate board of regents by its two-thirds vote, ~~to consolidate, relocate, separate, or divest a college or university.~~

#### **E. Authorization of LCMS National Housing Corporation Limited Liability Companies**

The following action was introduced by Chief Administrative Officer Ron Schultz and, after being moved and seconded, was adopted after brief discussion.

WHEREAS, The Lutheran Church—Missouri Synod (“LCMS”) is the sole member of LCMS National Housing Support Corporation (“National Housing”), a Missouri nonprofit corporation organized for the purpose of combating poverty and community deterioration and revitalizing deteriorated communities; and

WHEREAS, The LCMS Board of Directors adopted a resolution in August 2011 approving Amended and Restated Articles of Incorporation (“National Housing Articles”) and Amended and Restated Bylaws (“National Housing Bylaws”) for National Housing and authorizing National Housing to, among other things, “create or join with other entities in creating subsidiary or affiliated entities for the purpose of carrying out its activities,” as reflected in the National Housing Articles; and

WHEREAS, National Housing has determined that it is in its best interest to form and serve as a sole member of a Missouri limited liability company (“LHS Development, LLC”) to assist National Housing in carrying out its purposes as set forth in the National Housing Articles, and for the purposes of limiting liability on a project-by-project basis, to form subordinate limited liability companies either alone or with other entities in connection with specific projects (the “Project

Specific LLCs”), including initially the development of a project of the College Hill neighborhood of the City of St. Louis (the “College Hill Project”); and

WHEREAS, That pursuant to an opinion received from the LCMS Commission on Constitutional Matters (CCM”), which opinion is attached hereto as Exhibit A (the “CCM Opinion”), and in order to maximize its funding and partnership options, National Housing is seeking approval from the LCMS Board of Directors for the governing documents of the Project Specific LLCs to omit certain language otherwise required by 2004 LCMS Res.4-11, which language will be included in the governing documents for LHS Development, LLC; therefore be it

*Resolved*, That the Board of Directors of The Lutheran Church—Missouri Synod does hereby pledge and agree as follows:

- *Approval of Structure of National Housing Subordinate Limited Liability Companies.* The organization of LHS Development, LLC as a Missouri limited liability company with National Housing as the sole member and the organization from time to time of subordinate Project Specific LLCs by LHS Development, LLC, either alone or with partner entities, in compliance with the National Housing Articles, are hereby authorized and approved.
- *Application of 2004 LCMS Res. 4-11 to the Governing Documents of LHS Development, LLC and Project Specific LLCs.* The governing documents of LHS Development, LLC as a subordinate entity to an agency of the LCMS will include the provisions set forth in 2004 LCMS Res. 4-11. The CCM Opinion states that “to the extent that National Housing partners with others outside the agencies of the Synod itself, it is free to establish project level LLCs with including the provisions required of an agency of the Synod itself.” The Board of Directors hereby approves the omission of such language, as permitted by paragraph 6 of such resolution, for the governing documents of any Project Level LLCs having LHS Development, LLC as sole member. Among other things, National Housing anticipates that this will provide Project Specific LLCs with increased partnership and funding opportunities.
- *Reporting.* National Housing shall provide LCMS with a list of Project Specific LLCs and the projects in which they are involved, as well as such other information as the LCMS shall request, in connection with its regular reporting to the LCMS.
- *Further Authority.* The staff of the LCMS and the staff and board of directors of National Housing are hereby authorized and directed to take such further action as may be necessary or desirable to carry out and comply with the intent of this resolution.

#### F. Loan Approval for Concordia International School Hanoi

Chief Mission Officer Greg Williamson provided explanation for the following proposed action submitted by Randall Golter, Executive Director of the Office of International Mission, noting that this is a request for “the additional million dollars” discussed when the original loan approval was granted. After brief discussion, the resolution was formally introduced and adopted.

#### **Background**

In late October, the Board of Trustees of Concordia International School Hanoi (CISH), through the school’s finance committee, updated the business plan to reflect more accurately the growing and changing opportunities for ministry in Vietnam. This narrative provides an overview of changes made to the business plan submitted to the LCMS Board of Directors in its August 2012 meeting.

#### *Overarching Changes to Business Plan*

- Planning has been reduced to one building instead of three and enrolling 500 students. This reflects an occupancy rate of 92 percent of the maximum 546 students that this first phase can accommodate.
- Future phases and increases in enrollment have been reduced or eliminated to reflect the realistic situation currently in Hanoi. Additional phases will be constructed based upon the demand for additional enrollment space and the school's ability to fund the growth through cash reserves. This will be several years in the future and, while it is hoped that the school will be blessed so that the Gospel can reach 800+ students, it is not prudent to speculate on when that may happen. Emphasis needs to be on debt service and program development.

*Changes to Revenue*

- Annual enrollment numbers have been updated to reflect both the growth projections of expatriate students living in Vietnam and the addition of Vietnamese nationals.

*Changes to Expense*

- Employee-related costs have been adjusted to reflect enrollment needs.
- The least term for the temporary facility has been extended into the 2014/2015 school year.

*Updates to Construction and Loan Cost*

- Construction cost has been updated to \$7,816,781 extending through the 2015/2016 budget year.
- Loan interest, taxes, and principle payments due during the construction period have been updated to \$1,055,811.
- Total project cost has been updated to \$8,870,796.

Due to these revisions in the business plan (supporting documentation is attached to the protocol copy of these Board of Directors minutes), the CISH Board of Trustees is requesting that the LCMS Board of Directors authorize CISH to draw the full loan amount of \$9 million, which is also the maximum amount that Concordia International School Hanoi can bring into Vietnam.

WHEREAS, Concordia International School Hanoi received approval from the government of Vietnam to open in July 2010; and

WHEREAS, In February 2010 the LCMS Board of Directors approved the use of LCMS properties in Hong Kong as collateral toward a loan for Concordia International School Hanoi's permanent campus and development when it adopted the following resolution:

*Resolved*, That the Board of Directors, in consideration of the action of the Board for Mission Services, approve the use of the Synod-owned properties at #12 Wiltshire Road and South Bay Palace, Tw. II, 5B, 29 – 31 South Bay Close, Hong Kong as collateral to secure a loan through a financial institution, with the funds being used to finance the purchase of land use rights, the construction of buildings, and the expenditure of funds for other purposes by Concordia International School Hanoi;

and,

WHEREAS, The LCMS Board of Directors approved loans for the construction and operations of the school in August 2012 when it adopted the following resolution:

*Resolved*, That the LCMS Board of Directors authorize LCMS HOLDINGS Vietnam (Concordia International School Hanoi) to enter into a loan agreement for an amount not to exceed 9,000,000 USD for obtaining a site, construction, and related expenses, and operation of the school; and be it further

*Resolved*, That Concordia International School Hanoi draw only 8,000,000 USD of the loan amount; and be it further

*Resolved*, That should Concordia International School Hanoi need to draw on the loan above the 8,000,000 USD, Concordia International School Hanoi will provide the LCMS Board of Directors with an

updated business plan and rationale for the need of additional funds, and seek approval from the Board of Directors for the additional 1,000,000 USD prior to any additional funds being dispersed; and be it finally

*Resolved*, That only the property located on Wiltshire Drive in Hong Kong is approved for use as collateral.

And

WHEREAS, Concordia International School Hanoi has refined and updated the necessary cost of construction and development of the project; and

WHEREAS, The Lutheran Church Extension Fund has conditionally approved the loan for LCMS Holdings Vietnam (Concordia International School Hanoi); therefore be it

*Resolved*, That the LCMS Board of Directors authorize LCMS HOLDINGS Vietnam (Concordia International School Hanoi) to draw the remaining \$1,000,000 of the loan.

After the opening devotion of the second day of the meeting, the chair announced the revision of the agenda for the remainder of the meeting, given the board's successful attention to much of its business during the first day's sessions. A motion was introduced and carried to adopt the revised agenda as announced.

#### G. Concordia University Wisconsin Residence Hall Construction

Upon introduction of this resolution submitted by Concordia University System Interim Executive Director Alan Borcharding, it was moved, seconded, and adopted without discussion.

#### Background

As explained in a letter to the City of Mequon (it and other supportive information is attached to the protocol copy of these minutes), the demand for on-campus housing at Concordia Wisconsin has increased to the extent that additional construction is needed. The institution proposes to construct a 274-bed facility to accommodate this need.

For fiscal year 2012, the institution's change in unrestricted net assets was \$17.3 million, and as of June 30, 2012, the institution's bond indebtedness was \$20.6 million.

Regarding the institution's planning to pay for this construction, the following statement was provided by the Chief Operating Officer:

We have not reached an absolute decision on whether to try to self-fund this project or obtain debt. On the assumption we go forward with debt, we would like to structure the debt in such a manner as to add a layer of fixed debt, given that the majority of our current debt is variable. Also currently undecided is whether we obtain any necessary debt from Chase, from tax exempt bonds, or from LCEF ... We are unlikely to make a final decision in this matter until April, when we will have a better idea of other capital needs at both CUSS and CUS as well as a better feeling for our fall semester student counts.

The Concordia University System Board of Directors at its meeting on February 22, 2013, gave its endorsement to this request.

*Resolved*, That the LCMS Board of Directors approve the Concordia Wisconsin revised Master Facilities Plan as included in the attachments to this resolution; and be it further



*Resolved*, That the LCMS Board of Directors approve the request from Concordia Wisconsin to construct a 274-bed dormitory as described in the attachments to this resolution; and be it finally

*Resolved*, That the LCMS Board of Directors approve the request from Concordia Wisconsin to be allowed to incur no more than \$13 million in debt if the institution decides to do so. The potential debt would consist of approximately \$3 million to refinance existing bonds and approximately \$10 million for new construction.

## **156. Funding the Mission Convention Report**

A draft of the Funding the Mission Report to the 2013 convention was reviewed and discussed, with suggestions made for improvements. A motion was introduced and carried to adopt the report as changed, the report to the convention to read as follows.

### **Report on the Disposition of Funding the Mission Recommendations**

Resolution 4-02 of the 2010 convention resolved that each recommendation in the 2006 Blue Ribbon Task Force for Funding the Mission (BRTFFM) Report for increasing the Synod's unrestricted revenues be placed on the agenda of the Synod's Board of Directors for disposition by the next (2013) LCMS convention. This task was accomplished by the board during 2011 and 2012.

The BRTFFM Report contained 11 areas of discussion with recommendations, each of which the board evaluated for further action: Stewardship, Evangelism, Harmony in the LCMS, Communication, Structure Concerns, Management Efficiency, Higher Education Support, Support from Corporate Entities, Support from RSOs, Synod/District Fiscal Conference, and Improved Congregational Support.

The board found that many of the BRTFFM recommendations were acted upon by either the 2007 or 2010 conventions or by the initiative of corporate Synod. The decline in the Synod's annual unrestricted revenue continues, however, despite the report of the BRTFFM and the actions taken by the 2007 and 2010 conventions. The board concluded that stewardship is one aspect of discipleship. Disciples (students) of Jesus Christ understand what it means to live under God's grace, freely given, and that a response of thankfulness and joy is the Spirit-led outcome of discipleship.

St. Paul's mission congregations used both stewardship and fund-raising. Stewardship supported the operation of the congregation and made possible gifts to support continued mission efforts, while fund-raising tactics were used to raise funds to support the poor Christians in Jerusalem, for example. The board believes that a balance between stewardship and fund-raising must be realized. When too much focus is placed upon stewardship for the support of our own congregations, then they lose sight of the need to support global mission efforts and mercy work. When too much focus is placed upon fund-raising for global missions and mercy work, then the operations of individual congregations are jeopardized.

Even though the number of congregation members is declining in the Synod, total giving at the congregation level continues to increase. The amount passed on by congregations to districts for district and Synod financial needs, while not increasing, has remained nearly flat, while the amount passed on to Synod Inc. by the districts has been steadily declining for more than 20 years, at an average of \$1 million per year.

The board believes that growing in discipleship will bring about a maturity of faith and thus enable responses in several areas addressed by the BRTFFM, especially in the areas of stewardship and evangelism.

#### *Stewardship*

The board found that, since 2008, the Synod's stewardship training resources have been revised, refreshed, or replaced as necessary, as recommended by the BRTFFM, in order to assist individual congregation members with growth and maturation in stewardship. Stewardship resources and materials are available through the LCMS Inc., the LCMS Foundation, and LCEF, each with a slightly different focus. The Faith Aflame portal on the LCMS Web site contains many resources that can be used directly or adapted for regular congregational stewardship emphases; LCEF's Consecrated Stewards and Capital Funding Services materials, the latter of which focus on congregational building programs; and the Foundation's Gift Planning Services are available to assist LCMS congregation members to provide for the Lord's work today, tomorrow, and until the Day of our Lord's reappearing. Helping congregations to become aware of and to use these resources remains the biggest

challenge. The Board of Directors recommends that the Praesidium and the Council of Presidents lead our districts and congregations to grow in discipleship, which will also result in better management of the bountiful resources bestowed upon us by our triune God.

### *Evangelism*

Growing in discipleship will allow our congregation members to share the Good News of salvation in Christ Jesus with their neighbors and friends, their associates and acquaintances, or anyone whom they encounter during their sojourn on this earth. Evangelism, spreading the Good News of salvation in Christ Jesus through word and deed, must be at the heart of everything we do, individually and corporately. The Board of Directors recommends that the Praesidium and the Council of Presidents lead our districts and congregations to grow in discipleship, which will lead to an increased proclamation of the Gospel in our communities and throughout the world, that the Holy Spirit may work in the hearts of those who hear the Good News of salvation in Christ Jesus our Lord.

### *Harmony*

Harmony results when different parts blend together, sometimes coming together in unison, at other times paralleling each other but in different ranges, and still other times when embarking on what seem to be divergent paths. At times, even discordant blends can become eerily beautiful. Harmony, however, is not made up of random notes on a musical score, nor is it solely unison. Creating harmony requires precise communication between the composer and the choir or orchestra. Getting the blend just right takes effort. This, essentially, is what the Task Force on Harmony, established by 2007 Res. 4-01A, reported to the 2010 convention. The Koinonia Project, coordinated by the Office of the First Vice President, has begun the practical implementation of the work and recommendations of the Task Force on Harmony. The Board of Directors encourages every Synod member to become involved in this worthwhile project.

### *Communication*

Better, clearer, more frequent, open, and honest communication was at the heart of the task force's report and many of its recommendations. Finding the best and most effective ways to reach the different generations comprising our congregation members is challenging at best. Letters and magazines are not the most effective way to reach our younger members, yet our mature congregation members prefer that method. Recent changes in *The Lutheran Witness*, *Reporter*, and the production of the new *Lutherans Engage the World* are merely the first steps to reach our broad spectrum of members in meaningful ways. Electronic media are being used more and more to communicate with our youth and young at heart.

Simply passing convention resolutions will not automatically improve communication. It takes continual effort on the part of everyone, church professionals and laity alike, striving toward this goal. As communication improves, trust should also improve. This does not mean that open and honest communication guarantees unequivocal agreement (see *Harmony*, above); however, such communication promotes an environment wherein differences of opinion can be discussed and worked through collegially and respectfully, allowing mutual growth and edification. In fact, such communication will likely encourage differences of opinion to be expressed. We are grateful to our Lord and God that He has provided us with His Holy Word (*norma normans*) to teach us His doctrines and to bring us the saving Gospel of Christ. We are also grateful to God that we have the Lutheran Confessions (*norma normata*) to help us defend those doctrines as we faithfully proclaim the Gospel message. Finally, we thank our good and gracious Lord for giving us one another to support, encourage, teach, and correct each of us as we continue to grow in discipleship.

### *Structure Concerns*

The study of district configuration is in progress and will be reported to the 2013 convention by the Res. 8-07 Task Force charged with examining that issue.

### *Management Efficiency*

Internal structure concerns have largely been addressed, as required by 2010 Res. 8-08A. All mission and ministry programs have been grouped as national missions or international missions. There are about 70 fewer employees of LCMS Inc. today than there were two years ago. Some small number of adjustments may still be needed as time goes on.

The Synod continues to look at ways to become more efficient in its operations. As opportunities arise, it

continues to work with the synodwide corporate entities and others to coordinate activities in order to avoid overlap and duplication of effort. The board worked diligently to facilitate the affiliation of Concordia University–Ann Arbor with Concordia University–Wisconsin. The board is also reviewing its annual operating subsidies to support the Concordia University System, Concordia Historical Institute, and the National Housing Support Corporation (d/b/a Lutheran Housing Support Corporation), encouraging each of them to begin to work toward less dependence on Synod subsidies for their operations.

#### *Higher Education Support*

The task force recommendations related to expanding boards of regents and specifying minimum qualifications for serving on them were implemented by convention actions in 2007 and 2010. These actions allow the colleges and universities of the CUS system and each of the seminaries to assemble boards of regents with the necessary talents and abilities to manage these important institutions.

#### *Support from Corporate Entities and RSOs*

The BRTFFM recommended that recognized service organizations and synodwide corporate entities be assessed an amount commensurate with the benefits they receive by being associated with Synod. The board found that those synodwide corporate entities that are able to generate their own resources do provide Synod with a share of their incomes, as they are blessed. Those that depend upon Synod's unrestricted resources for their existence would have to ask for an increase in that support in order to return support to Synod. Instead, it is vital that these current synodwide corporate entities be encouraged to develop their own revenue sources to enable them to reduce their dependence upon the Synod's unrestricted resources. The board also found that the Synod incurs significant costs in approving and monitoring recognized service organizations, without any direct support other than the Synod's unrestricted resources.

#### *Synod/District Fiscal Conference*

The Board of Directors supports the concept of a Synod/District Fiscal Conference as another channel to provide better communication regarding the challenges and opportunities to be faced in carrying out our common good activities, mandated by our Constitution and Bylaws and convention actions. The board recommends that a triennial fiscal conference, attended by each district president and treasurer/business manager, be held beginning in FY 2015.

The board believes that congregations will respond through better, open, and honest communication about the great things God is able to accomplish for His kingdom when we work together. Numerous conventions have passed resolutions calling on congregations to maintain and increase unrestricted support for district and Synod ministries, yet the unrestricted support passed through our districts to the Synod has continued to decline at the average rate of \$1 million each year. An average support level of \$10 to \$15 per baptized member per year would equally share the cost for providing for ministry and leadership activities mandated by our Constitution and Bylaws and convention actions, and allow us to maintain or increase the current level of program support at the Synod Inc. level. The board encourages each congregation and district to meet or exceed that level of funding for our common-good activities, in order that mission and ministry program activities may be better supported.

We pray that the Lord's will be done on earth as it is in heaven, and that our service will be pleasing to Him as we proclaim the Gospel throughout all the world, witnessing through word and deed as we live our lives together in His service. We are baptized for this moment.

### **157. Board of Directors Convention Responsibilities**

The plan for Board of Directors' participation in convention activities and responsibilities was reviewed, including participation in Floor Committee Weekend, other floor committee activities, convention expectations, noon lunch meetings, a Board of Directors dinner, lodging arrangements, and more.

### **158. Concordia University System/Concordia College Alabama Report**

Concordia University System Interim President Alan Borcharding provided an update on conditions at Concordia Alabama (Selma), the recent recipient of a \$5 million grant. After his report, discussion

centered around specific content from earlier reports and the manner in which concerns were addressed, which led to the introduction of a motion to enter into executive session, which motion carried.

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### **158X. Executive Session III**

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Upon returning to open session, discussion of Concordia Alabama continued, with board members expressing continuing interest in helping the school “be all it can be” and commending the current administration of the school for the progress that has been and continues to be made.

### **159. The Wittenberg Project**

President Matthew Harrison reported positive developments for the Wittenberg Project and its board. A business plan has now been finalized with the enthusiastic help of the Lutheran Church Extension Fund. Facilities management issues are being resolved and commitments have been received for up to \$1.3 million, with a goal of \$2.5–2.7 million by 2014, allowing time to complete the project by the 2017 celebration of the 500th anniversary of the Lutheran Reformation. An education committee is already functioning to make use of the facility for onsite studies and a curriculum and program is being put together. In addition, the project will also benefit from the construction of a new shopping mall across the street from the Wittenberg Project building, which will increase regular contact with the surrounding community. Work is also being done on the design of a worship space in the building.

### **160. Adjournment**

All business to come before the board at this meeting having been attended to, a motion to adjourn was introduced and carried. The meeting was closed with prayer.

Raymond L. Hartwig, Secretary