

**MINUTES (proposed)
BOARD OF DIRECTORS**

**Concordia University Irvine (Spectrum Campus), Irvine, California and
Ayres Hotel Costa Mesa / Newport Beach, Costa Mesa, California
February 19–21, 2026**

277. Joint Meeting with Concordia University Irvine Board of Regents

The board met jointly with the Concordia University Irvine (CUI) Board of Regents for conversation. After a welcome by CUI board chairman Ryan Ermeling and prayer by President Harrison, CUI President Michael Thomas offered an overview of the institution’s mission as “a comprehensive Lutheran Christian university guided by Christ’s Great Commission [that] develops wise, honorable, and cultivated citizens to serve society and the church” (a concept based on comments by Luther the Reformer) and of its core convictions, values, or “animating” principles. The campus is in its fiftieth year (to be celebrated Oct. 2–3) and today offers 60+ undergraduate and graduate programs to more than 4,000 students annually. Thomas noted the 72-acre Turtle Rock campus, a campus capable of housing residential 950 students, and the new 115,000 square foot Spectrum Campus, both full of Lutheran Christian identity. The core undergraduate curriculum is a “great books” program focused on life’s “toughest questions.” The campus welcomes “all qualified students, regardless of their particular faith commitment”—“so long as they come to engage with us, not to change us.” One hundred thirty-five full-time faculty serve in six academic schools with an undergraduate ratio of 14:1. The campus is “doubling down” on intentionally hiring and orienting faculty to a particularly Lutheran-Christian approach to education in a “Vision-Mission-Vocation” program. Thomas highlighted statistics on faculty and church work programs, including the Cross-cultural Ministry Center, a partnership with Concordia Seminary.

Thomas noted an operationally balanced budget for FY26 on \$100M+ annual operation. He gave an overview of work under the “Vision 2025” master plan, funded by philanthropic gifts committed to making a Concordia education affordable and accessible. The 7-year *Forward in Faith* campaign (2014–2020) raised \$100M on an \$85M goal; since then, an additional \$99.3M has been raised for scholarships, expanded facilities, and a sustaining endowment—this last bit being the future focus. “The Lord continues to bless!” Thomas noted Concordia University System (CUS) visitations, formal and informal, which have found the campus and its students thoroughly infused with Lutheran identity. Thomas noted CUI is deeply honored to serve as a university of the Synod.

Board chairman Christian Preus noted the board’s appreciation for the opportunity to visit face-to-face and for Thomas’ presentation. Preus focused on the distinction between the work of the Board of Directors and the boards of regents. He noted the regents are closer to the “positives,” while the directors simply have to deal with more “negatives.” Preus noted that he will be concluding 25 (not contiguous) years on the board, before and after the 2010 change in the board’s composition, which, Preus felt, was “a good move.” During President Harrison’s tenure, Preus noted the board as “excellent”—not that all have the same perspective, but the board is not divided in spirit; members learn to come with an open mind. Preus noted his previous service also on boards of regents for Concordia universities in St. Paul and Ann Arbor, the latter, at the peak of the financial crisis that led to its eventual merger into Concordia University Wisconsin.

The boards have in common that they are both part of the LCMS, which is a synodical union of congregations. All are fully accountable to them—a thought that easily fades into the background in getting all the work done, but is worth bringing to the fore. Preus noted the more focused and narrow, academically-oriented responsibility of the regents, relative to the directors’ broader assigned responsibility. Preus focused on the bylaw definition of *agency* (Bylaw 1.2.1 [a]), a category that includes universities, which excludes corporate Synod (and its board of directors). The board of directors is directly accountable to the convention, a responsibility the board takes seriously (along with the other elected officers). The board does the work the convention requires to be done between conventions. It receives a lot of reports. Noting

examples of recent and upcoming agenda items, including university property transactions, master plans, and capital projects, Preus explained the board's broad oversight responsibility to "understand what everyone is doing" in the business, property, and legal domain (the ecclesiastical domain is the President's to handle—although the board has to understand the business, property, and legal aspects of mission work). Much of each meeting involves others coming for approval where the convention has required them to do so; in managing these requests, the board seeks to serve the interest of the Synod's member congregations, and in its role the board enjoys "vicarious excitement" for the projects of others. Preus noted the work of the board's LCMS Entity Activity Development (LEAD) committee as a proactive effort to make it easier for those doing the work in the Synod to get it done. He noted that that board's committees do not perform delegated functions but make recommendations to the plenary board—and especially the very narrow function of the board's executive committee.

Preus noted some items in which both boards relate to the Synod in different ways. 2023 Res. 7-04B made a number of changes. The Concordia University System was relieved of property, business, and legal responsibilities while retaining its ecclesiastical responsibility, clarifying where there had been an overlap and enhancing the powers of the boards of regents. Governing documents of the universities were already "out of line" in 1995 when Preus came on the board; we are still working on this. The convention in 2023 Res. 7-04B said, "let's get this done." The Commission on Constitutional Matters has reviewed all documents. Governing documents are directed to be corrected by each board of regents; the board of directors is directed to ensure that happens, and to report to the convention. Preus noted also master plan and capital project approvals where the boards have similarly juxtaposed responsibilities and, in some cases, practice to bring in line with requirements.

Preus noted a couple of frustrations about two common errors made by agencies in general: First is not fully appreciating their relationship with the Synod; where agencies go astray in this regard, the board of directors is not able to overrule agency decisions but is responsible to the convention to make agencies mindful of their responsibility. The other is a lack of appreciation by many across the church body on how broad the freedom protected under the First Amendment is—extending even to the whole governance structure of the Synod, including all the agencies—of which freedom agencies should be making the most together. This was specifically noted in 2023 Res. 7-04B as an area in which we could all work together for good.

The boards spent about a half hour answering questions posed to each other in advance. The boards discussed the matter of trust and the feeling being that face-to-face meeting and regular conversation are necessary, noting that the university presidents meet monthly with CUS but haven't had that opportunity with the board. Preus has noted CUS' proactivity to build relationship and the board's being "relatively behind." Asked by the CUI board, Preus and Sias explained the board's overture to convert CUS into the Commission for University Education, explaining it as the "obvious thing to do" once the *HotChalk* suit was settled and the board paid off most of CUS' \$10M debt, still outstanding at the time 2023 Res. 7-04B was presented to the convention. Risks and concerns raised noted by CUI were discussed; one was identified as chief: finding LCMS faculty who are subject matter experts—not only as crucial to mission but even a business matter, Thomas identified this as key to maintaining a distinctive purpose and competitive advantage. Finances are also closely monitored; \$10M was cut last year to achieve a balanced \$104M budget. The general demographic cliff is also concerning; enrollment goals must be met to do everything else. A CUI board member noted that "declaring who we are to the community helps us to maintain who we are."

Pastor Mueller closed with prayer. A campus tour and dinner fellowship and conversation followed.

278. Call to Order and Opening Prayer

Chairman Preus called the regular February meeting of the Board of Directors to order with all members present except for member Gallup. Also in attendance were Chief Financial Officer (CFO) / Interim Chief Administrative Officer (CAO) Nathan Haak and Interim Chief Mission Officer (CMO) Daniel Galchutt.

(Former CAO Felix Loc relinquished duties as of January 1; the board having now had an opportunity to consider the vacancy, Haak, who has been *acting*, is now *interim* CAO under the board’s May 2025 standing designation.) On Friday, Pacific Southwest District President Michael Gibson offered an opening devotion on Acts 16: “Come over and help us” and the humbling and inspiring story of Pastor Jacob Buehler, the human instrument of the Synod coming to the West Coast. On Saturday, Pastor Hoem offered a devotion on Matthew 4:1–11 and the theme “Deliver me from evil.”

279. Agenda and Consent Agenda

Chairman Preus introduced the meeting agenda (pp. 12–13/649) and consent agenda (p. 14). The meeting agenda was moved and adopted. The consent agenda was moved and adopted as follows:

WHEREAS, The Board of Directors has adopted a policy allowing for the use of a consent agenda; and

WHEREAS, Board Policy 3.9.4, “Consent Agenda,” reads:

3.9.4.1 The Board makes use of a consent agenda to expedite the conduct of routine business during Board meetings in order to allocate meeting time to education and discussion of substantive issues.

3.9.4.2 The consent agenda should consist of routine matters that require Board action. Typically, these items include the approval of minutes, acceptance of officer and other written reports (excluding the quarterly financial/budget report), and adoption of routine or non-controversial action items.

3.9.4.3 The Chairman shall be responsible to approve the proposed consent agenda for each meeting upon recommendation of the Chief Administrative Officer. The consent agenda shall be distributed with the meeting docket.

3.9.4.4 The consent agenda will be presented to the Board for adoption as soon as practicable after the opening devotion on the first day of the meeting.

3.9.4.5 Any item which appears on the consent agenda may be removed from the consent agenda upon request by a member of the Board. Items removed from the consent agenda will be considered at another time during the meeting as determined by the Chairman. The remaining items will be voted on by a single motion to approve the consent agenda.

3.9.4.6 The approved motion will be recorded in the minutes, including a listing of all items appearing on the consent agenda.

Therefore, be it

Resolved, That the Board of Directors herewith accept this consent agenda which includes the following:

- **Officer and Agency Strategic Reports**
 - President, First Vice-President, and Church Relations
 - Secretary and Rosters, Statistics, and Research Services
 - Council of Presidents
 - Chief Administrative Officer
 - Chief Financial Officer
 - Chief Mission Officer
 - Board for International Mission
 - Board for National Mission
 - Commission on Theology and Church Relations
 - Concordia University System
- KFUE Radio
- **Board of Directors Committee Reports**
 - Governance Committee
 - Personnel Committee
- **Action Items**
 - Approval of the following LCMS Board of Directors Minutes
 - November 21–22, 2025
 - January 16, 2026
 - February 12, 2026

and be it further

Resolved, That the minutes of this meeting reflect the acceptance of the reports and other items as listed above.

280. President's Report

President Matthew Harrison elaborated on his written report, which he noted is in a considerably shortened form (pp. 41–43/649). The President noted travails of recent months: “We are pressed but not broken and the Lord blesses most intensely under the most intense crosses.”

The President explained that he has consulted with both mission boards regarding confirmation of Daniel Galchutt as Chief Mission officer, noting that both have offered “hearty approbation.” He made (and later in the meeting withdrew, to request placement of the item on the board’s May agenda) a request for the board’s Bylaw 3.4.3.2 concurrence to be added to the present meeting’s agenda.

Asked how convention planning is going, Harrison explained appointments have been made for ten floor committees and notifications have been sent. Care has been taken to assure representation across the districts. Barb Below and the Secretary are seeing to their particular tasks. Overtures are at or ahead of pace relative to last year, with a week to go.

281. Chief Mission Officer Report

Interim Chief Mission Officer Daniel Galchutt elaborated on his written report (pp. 80–85/649). Galchutt noted transition and a learning curve, but “we’re getting there.” Amy Fischer has joined the office as executive assistant; Katie Fiene has been hired as mission program manager, the position a “downgrade” of the planned director of mission operations, with “less expense and greater utility for the building.” This position will serve processes across the building, with primary focus at present on the ongoing constituent relationship management (CRM) project. Galchutt noted questions related to that project regarding the LCMS website. Some questions on the website need to be answered quickly, with current licensing expiring June 30, 2027. LCMS Communications interim executive director Roy Askins has presented Galchutt with a proposed website transition plan, to be further developed in the weeks ahead. Alignment of the project with CRM and cost-effectiveness are important. An open-source system seems to offer a good substrate; the alternative approach, involving heavy commercial license fees, results in “starvation on the personnel investment side.”

Galchutt noted vacancies in Mission Advancement and Communications. Askins has done a great job in the latter interim; this search is not being prioritized. In Mission Advancement, Rev. Bredeson returned the executive director call; the search process is being continued with one new name and one name carried over.

Galchutt noted the weight of convention reporting that falls on his position. The Pastoral Formation Committee (PFC) had a general report and four assigned specific reports, which have taken extensive work. There has been much conversation about routes, especially the specific ministry pastor program, and the reports will surely generate more. The seminary presidents are confident there is broad support for what the seminaries provide and for their position in these reports. The PFC has engaged in conversation with proponents of unapproved routes; listening sessions have been and are being scheduled around the country in the next couple of years. Responding to questions from the board, Galchutt and Harrison characterized the state of conversations.

Galchutt noted Harrison’s visits with districts at conventions showed reports of young men showing up at LCMS congregations more frequently than in recent years. He noted from recent congregational statistics raw number increases in adult confirmations and baptisms, seeming to be beyond simply a “COVID-19 rebound.” There are also encouraging trends among attendees to the Youth Gathering as to their faith-related habits and position on current issues.

In the Office of National Mission (ONM), Galchutt noted LCMS Schools director Alan Freeman and manager Will Vann have taken calls to the South Wisconsin and Rocky Mountain districts, respectively.

An interim plan involving people across ONM is being put in place. ONM has communicated well with education executives about the plan and a search for director is underway with an encouraging pool of about a dozen; a first round of zoom interviews is scheduled with a few very strong candidates. The hope is to issue a call in April. ONM will be pursuing, in part, in coordination with Concordia Publishing House, significant invitation-based grant opportunities for LCMS with Lilly foundation. The Youth Department got us “in the door” and LCMS Worship and Disaster Response have followed on.

In the Office of International Mission (OIM), Galchutt noted that he, Haak, OIM managing director of business operations Blake Warren, and OIM managing director of global mission operations Brian Gauthier will be traveling to Asia to visit international schools and the OIM regional office.

Galchutt noted vacancies in key areas have paused progress on the board’s request for work on breakthrough objectives in Mission Advancement and Schools.

282. University Governance Document Update

Secretary Sias, noting material available in the board’s higher education committee portal and a brief summary in his report (pp. 45–46/649), summarized the state of progress directed by 2023 Res. 7-04B, part C:

- Concordia University, St. Paul has adopted bylaws approved by the commission after an extensive revision and much discussion about the 2023 Synod bylaw changes and potential impact on accreditation, which turned out not to be as much a concern as first feared. A minor change to the university’s articles to conform more fully with the Bylaw 1.5.3.6 language is slated to be adopted in May. A fruitful conversation continues with regional accreditors.
- Concordia University Wisconsin—Ann Arbor has submitted for review and the Commission on Constitutional Matters (CCM) has reviewed a draft set of Bylaws. These are available for review by the board.
- Concordia University Nebraska has shared with the Secretary for preliminary review a potential Bylaw revision. It has also shared aspects of conversation with the school’s accrediting body regarding institutional control policies.
- Concordia University Chicago counsel is finalizing review of its existing documents and the CCM opinion; the CUC board intends to approve a draft in May for submission to CCM and the accreditor.
- Concordia University Irvine’s board legal affairs committee reviewed the CCM opinion on Feb 2. The plan is to bring proposed revisions to the board at the May meeting, with review by CCM to precede adoption.
- Concordia Seminary (St. Louis) has indicated that it intends to adopt the modern incorporation statute, a step in which LCMS will need to participate, but has not yet indicated a definite plan.
- Concordia Theological Seminary (Fort Wayne) has not yet indicated a definite plan.

The seminaries have very little in the way of governing documents. Much of what they have is severely outdated—as is Bylaw section 3.10.5, which provides most of their operating regulations. This should be a broader project in the near term.

Sias noted previously identified concerns with certain university foundations, especially with the compositions of their boards, and documents that are still sought by the CCM. The foundation issue is one not solved by the board’s corporate governance project.

Sias discussed the relative roles of CCM and the board in 2023 Res. 7-04B [C], explaining that, in engineering terms, the CCM does the “acceptance test” but the board must be relied upon to advise the convention when business, legal, or property concerns suggest that change to the underlying specifications

is necessary. The CCM has done and published its work in Op. 23-3023 (Sept. 12–13, 2025) based on the bylaws in force and the documents it was provided. Now it is the board’s turn.

Sias noted the three key resolves from the resolution:

Resolved, That the BOD, after input from the Commission on Constitutional Matters, review within the upcoming triennium the governing documents and governance practices of all higher education institutions of the Synod, and all boards of regents and boards of associated foundations be directed to correct any identified noncompliance with the Synod Constitution, Bylaws, and resolutions; and be it further

Resolved, That each university of the CUS shall acknowledge in a written agreement, facilitated by the BOD of the Synod, the paramount right, title, and interest of the Synod in the name *Concordia*, its value having been established and built through the decades-long contributions of the Synod and its association be inextricable from the Synod, agreeing that in the case of separation or divestiture it shall immediately cease to represent itself as a college or university in any sense associated with the Synod and shall within one year permanently cease using, and transfer and assign to the Synod any rights involving, any name including the word *Concordia* or any derivation thereof; and be it finally

Resolved, That the BOD report to the subsequent Synod convention its progress in achieving the foregoing and any proposed bylaw changes or other action needed to more faithfully steward resources for higher education in the Synod.

Preus noted he is drafting the board’s report and, with the support of the CAO and Secretary, will detail the status of this project. The board’s report is expected to be a significant opportunity to shed light on issues and move things forward. Preus also indicated the intention to follow up with a supplemental report at the time of the convention on progress made between the submission deadline Feb. 28 and the convention.

The board by unanimous consent requested:

That the CAO follow up with the institutions to request that all documents thus far requested by CCM or that are otherwise relevant be delivered immediately for review.

Grams noted that the classification of “uncategorized” agencies under the proposed corporate governance structure will necessitate better recordkeeping and interaction with the entities on governing documents in general.

Sias noted the Office of the Secretary has developed and continues when it has time to work on a document with “positive guidance” for development of bylaws and policies by the institutions under Bylaw subsection 3.10.6. He also noted discussion with the seminary boards of regents and presidents regarding their governing documents and Bylaw section 3.10.5, including a seminal presentation and conversation at the November 2024 joint board of regents meeting. Preus thanked the CCM for an enormous amount of labor in completing these reviews.

283. LCMS Entity Activity Development (LEAD) Committee

LEAD Committee chairman Andrew Grams noted recent meetings and issues on the agenda for discussion with the Governance Committee. He noted, in the process of developing the corporate governance relationship, the indispensable value of input from the entities and agencies. He suggested that there is value for the drafting of related, and perhaps other, policies to more intentionally involve those interfacing to the board through them.

284. Personnel Committee

Personnel Committee Chairman Jan Lohmeyer reported on his committee’s meetings of Dec. 16, Jan. 6, and Jan. 20 (pp. 106–7/649; executive session 108–9/649). In December, the committee met with Chairman Preus and LCMS Human Resources Executive Director Nathan Thomas. They reviewed Board Policy 6.4.2, on compensation standards, and steps taken to assess current data from corporate Synod, Synod entities,

and comparables. The Chief Administrative Officer search was discussed, the committee determining to delay posting the position to allow the board to fully discuss and potentially pursue combination of the office with that of the Chief Financial Officer—a possibility requiring adoption of a bylaw change by the upcoming convention. The committee also allotted interim increases, effective Jan. 1, to CFO Haak and Secretary Sias for taking on responsibilities related to the vacant position. At the latter January meeting, Thomas presented the proposed salary range adjustment of 2.2% for FY2027 and the now-standard presidential allowances and regional vice-president honoraria. The committee also reviewed a compensation policy proposal, subsequently handed off to the Governance Committee, and data from the Chief Financial Officer review.

The board entered executive session.

284X. Executive Session I: Personnel Committee

The board returned from executive session.

285. Governance Committee

Governance Committee Chairman Jesse Yow elaborated on his committee’s written report (pp. 99–105/649), noting the committee addressed the following:

- Item 26-001 and -002: In review of BOD Policy Manual Sections 8 and 9, as scheduled, no changes were identified to be recommended.
- Item 25-017, Proposed Policy on Movement of Key Employees among Corporate Synod and Synodwide Corporate Entities: The committee reviewed and revised the draft policy received from the Personnel Committee, recommending adoption (p. 105/649).
- Item 26-003, Policy 6.4.3, Salary Administration, and Policy 6.4.4, Incentive Compensation and Bonuses: The committee reviewed and revised the draft policy received from the Personnel Committee, recommending review and discussion (pp. 101–4/649). The committee welcomes guidance from the board, if further development is desired.
- Item 25-046, Conflict of Interest: The Commission on Handbook is in the process of proposing significant modifications to the conflict-of-interest bylaws and is preparing an overture for convention. This proposal, shared in draft with the committee on its portal, may largely address the concerns that prompted this study. If new bylaws are adopted, policy work will necessarily follow.
- Item 25-006, Districts of the Synod: The Secretary requested the committee review an annotated draft, indicating that many of the requested policy additions are already addressed elsewhere in the manual.
- Items 24-046, 24-047, 24-053, 25-015, and 25-007, all dealing in some way with special or new agencies or exceptional corporations, have been consolidated in view of the board’s corporate governance overture, which, if adopted, will provide a new setting in which to address these issues.

286. Convention Overtures

The board reviewed several draft overtures for potential submission to the 2026 convention, some of which had been adjusted following the board’s February 12 working session. Preus also noted opposition voiced by CUS and others to the overture adopted at the board’s November meeting. Preus also noted a draft overture from the Concordia Plan Services Governance Committee (pp 450–56/649) in response to the CCM opinion addressing the possibility of the insurance captive being assigned to CPS. This has been provided for the board’s review.

Preus described the process ahead for any overtures the board would adopt, including work by floor committees and comment periods.

(A) To Amend Bylaw Section 1.5, etc., to Unify in the Bylaws and Revise Corporate Formation Requirements for Instrumental Entities of Corporate Synod and Agencies of the Synod

The board discussed the draft (pp. 3–17/39 of the board’s overture docket supplement, accompanied by two documents describing an overview of the changes, pp. 18–20, and risks identified, pp. 22–23). The board discussed:

- the compliance workload for participants and for the board and its staff; LEAD Committee chairman Grams described initial planning to accommodate that as well as steps taken in the bylaw draft to reduce the burden to the minimum necessary—but truly necessary—amount.
- the process, which was reviewed as excellent, and having involved much input from many people.
- the taxonomy of entities, which is “logical but complex.” The board will be in the position—with its staff, the development of which is to be discussed—of managing a complex system in which the entities created may evolve over time. There are also new risks involved in the special purpose entity class (which Grams has outlined in an accompanying document). The board will need some level of compliance support to manage the work that flows from these provisions. The board discussed rolling this out and taking the time in the near term to figure out procedures and staffing to support this project, which would fall under the Chief Operating Officer function, if the board and convention go that way.

Preus proposed a change to new Bylaw 3.6.1.1 (c) (p. 16/39), to make the following insertion (double underlined):

(c) If the Board of Directors forms a new entity or assigns a new area of responsibility, it shall report its action to the Synod promptly and in a special report to the next Synod convention and, if it is in its judgment in the best interest of the Synod, it shall propose a Bylaw amendment reflecting the new entity or assignment to the subsequent convention of the Synod.

This was accepted by unanimous consent.

(B) To Clarify and Streamline the Responsibilities of Appointed Officers of the Synod

With Grams assuming the chair, the board discussed this item (pp. 24–28/39). CFO Haak drew the board’s attention to his associated report (pp. 73–81/649) to the board, assessing the risks involved and planned mitigations. He highlighted the need to fill the finance director position. The board discussed the concern of segregation of duties. Bylaws specify that the Chief Operating Officer would assume the role of Treasurer from the previous Chief Financial Officer position, which may limit the pool of applicants in a future hiring scenario; the concern of not overworking the occupant was also noted. It was also noted that Bylaw 3.3.4.9 allows the board to appoint additional officers needed for business and legal affairs. The board discussed how the supporting “operations team” would be staffed up and the need to do so in a way that derisks the change in occupant of this key office. CFO Haak also noted the complexity of recruiting for key leadership roles with more limited paths toward advancement than in a typical corporate setting.

CFO Haak was asked to present again on the transition plan for this overture and an operational startup plan for the previous at the May meeting of the board, so the board could be prepared properly to advise the convention.

A change was proposed to Bylaw 3.3.4.9 and accepted by unanimous consent as follows:

- 3.3.4.9 To carry out the business and legal affairs of the Synod, the Board of Directors may after consultation with the Administrative Team appoint other officers ~~subject to the approval of the President. The Board of Directors may also appoint and~~ staff as required.

(C) To Coordinate Responsibilities of Chief Mission Officer with other Synod Officers

With Grams continuing in the chair, the board discussed this item (pp. 29–31/39). CFO Haak, while noting continuity and other benefits, noted this as a transfer of about 70 employees to the Chief Operating Officer role and the concern that this is an addition of significant requirements to the chief operating area.

A change was proposed and accepted by unanimous consent to add to Bylaws 3.4.1.5 and 6 language as proposed:

Selection of other outward facing employees shall occur only after consultation with the President of the Synod.

(D) To Enhance Responsibilities of the Synod’s Mission Boards

With Grams continuing in the chair, the board discussed this item (pp. 32–35/39). Preus highlighted a few changes, since the previous draft, to focus the supervision of the mission offices by the mission boards on the executive directors and to place the same on a calendar of triennial review and reappointment requiring the concurrence of the mission board. The board discussed the complexity and tradeoffs involved.

(E) To Amend the Bylaws to Eliminate Regional Elections for the Board of Directors and to Revise Limitations to Elections from One District

With Grams continuing in the chair, the board discussed this item (pp. 36–37/39). Preus noted that this overture may engender concern in some quarters of the Synod, but that the intention of removing limitations—borne of experience on the Committee for Convention Nominations—is to enhance the quality of governance by enabling the service of the most highly qualified people. Preus noted also the district restriction as creating the same issues and being less important in a day with more lay representation on the board. Districts, he noted, are also of uneven size. The President noted that with the current bylaws we have achieved a fantastic board and that the change would be perceived, even if not at all intended to do so, as diminishing the input of districts that already feel underrepresented in governance.

(F) To Amend the Bylaws to Eliminate Regional Elections for the Board for National Mission and Board for International Mission

With Grams continuing in the chair, the board discussed this item (pp. 38–39/39). The same as above was considered to apply here, though, the President felt, less intensely. Nominations also tend to be light for some of the regions and categories.

It being observed that the weight of debate seemed to fall against the adoption of these overtures, the board determined to cease consideration of items (E) and (F).

287. Contribution of Capital to Concordia Risk Solutions

Chairman Preus resumed the chair. The board entered executive session.

287X. Executive Session II: Contribution of Capital to Concordia Risk Solutions

The board returned from executive session.

288. Discussion with Concordia University System regarding Proposed Change to Commission for University Education

Concordia University System Board Chair Mark Braden and CUI President Thomas joined the board to discuss the board’s overture, submitted in November, at which CUS expressed concern and submitted an opposing overture. Braden noted a desire to stand with the Board of Directors and hoped the boards would agree before going further. He distinguished CUS work from that of the existing commissions, including

in the area of fundraising, which is being done “aggressively,” and stewardship of restricted gifts and a scholarship program. There is a question of CUEnet, which is presently under and reporting to CUS and having real property and staff in Bend, Ore. CUS actively advocates for the universities. CUS, Braden, noted, “has authority over” the institutions, with the ability to reward or censure, or even to rescind affirmation. These factors, CUS feels, make it different from a commission. The Institution Advisory Council and all five of the presidents individually oppose the resolution; the Concordia, St. Paul, board of regents has sent a letter. CUS proposes study a convention or two down the road and has a number of other questions as to how CUS property would be managed. Preus having noted that commissions and the Synod’s mission boards are not separately incorporated, but the mission boards carry out extensive fundraising and have significant designated gifts, Braden indicated he still felt the nature of a board was more appropriate to CUS.

President Thomas, as representative of the CUS Institution Advisory Committee, noted concerns that a standalone corporation has more standing or perceived “weight” in advocating for the universities and that donors may feel that giving to CUS is distinguished from giving to the Synod “general fund.” He noted questions about “flow of authority”: the CUS president, while reporting to his board, “also seems responsible to the presidents,” and the fear this might suffer if CUS were more responsible to the board of directors. The strongest point, he noted, is the amount of time the presidents spent on changing the language from ecclesiastical accreditation to ecclesiastical visitation. The Lutheran Identity and Mission Outcome Standards (LIMOS) being under a separate corporation allows them “to have standing in the right/left hand kingdom separation.” There is a concern that a “pharaoh might arise that didn’t know the Concordias” who might push the LIMOS from being a “pastoral correction” to be a “compliance issue.” There are unresolved concerns around CUEnet and other features. The “minimum ask” is a wait of at least three years, so that the board and presidents can stand “shoulder to shoulder” before the convention as with 2023 Res. 7-04B.

Asked whether the presidents have a different assessment about whether a corporation is necessary than the board does, Thomas explained they do not necessarily, but that consultation would have been helpful and that after three years of due diligence the board’s proposal might be acceptable, but the schools are now two years into a very significant change—which has been a “boon to the Synod” and a “pleasant surprise” for the schools.

289. Authorization for Executive Committee to meet with Concordia University Irvine Executive Committee: Reversionary Interests and Governing Documents

The board by unanimous vote authorized its executive committee to meet with the CUI executive committee to discuss master plan approvals, reversionary interests, and the university’s governing documents. It was clarified that no action would be taken and that the committee will report back.

290. Concordia Seminary, Saint Louis, Revised Master Plan and Capital Project

Concordia Seminary President Thomas Egger and Mike Louis, Assistant to the President for Strategic Asset Management, joined the board to present an updated master plan and capital project (pp. 138–300/649). Egger indicated that with board of directors approval the seminary is ready to begin next week with aspects of the proposal and that the seminary needs to move forward with clarity. The seminary is excited and grateful for how the current proposal has come together, especially as it looks toward rebuilding of married student housing in “the Woods.”

Egger introduced the proposed 2026 Master Plan, simplified and streamlined from the 2017 Master Plan, with a few “aspirational elements.” The changes amount to a firm and greater emphasis on residential community involving single and married students and faculty. The plan recognizes clarity received from Clayton and from the Board of Directors in recent years and reflects strengthening and repurposing of the core and retirement of incongruous or periphery buildings. The plan does not involve the sale of property. Cost, culture, and quality of life reasons favor demolishing the Woods housing and rebuilding on existing footprints. This saves significant infrastructure and earthmoving costs. The seminary has confidence that

much will be gained—especially for the quality of campus community uniquely supportive of pastoral formation—and little lost. The needs for housing are greater every year and married student housing must be replaced soon. Wings of mothballed historic core campus buildings will also be reclaimed for renewed use. This work also lays a clear case for the capital component of *Christ the Cornerstone*, the seminary’s ongoing capital campaign.

Louis spoke to the strategic plan’s implementation in a series of specific actions, separated into three general phases (pp. 154–64/649):

- Phase I: (1) rebuilding married student housing; (2) renovating faculty houses 13–15; (3) reclaiming/renovating buildings H, I, and K; and (4) building single student apartments (these four are imminently prepared for action);
- Phase II: (5) outdoor amenities and recreation and (6) deferred maintenance (to be addressed along with the former and the latter; these items are less immediately prepared but planned); and
- Phase III: (7) future faculty housing (possibly townhomes), (8) overnight accommodations, (9) exploring potential compatible uses of the campus periphery, and (10) indoor athletics and fitness facilities (these being more “aspirational” future work, involving continued discernment and planning). Louis summarized aspects of the plans from detailed documents shared previously with the board. Louis detailed the master plan aspects treating the first four items, which are “well priced” and ready to implement. He also outlined the last four “aspirational” projects and a variety of possibilities around each.

Louis moved from the master plan to detail the capital projects at hand. Married student housing apartments will need to be completely demolished and rebuilt on proper foundations (addressing the aspect that caused the present apartments to fall into disrepair). Reconstruction will allow for various sizes, 2, 3, and 4-bedroom apartments, on essentially the current footprint and with current infrastructure. The Synod holds one additional similarly situated unit for missionary housing that will need to be addressed separately; this is, CFO Haak noted, “on the radar” for LCMS. The townhomes in “the Woods” are suffering as well but work on them is not as urgently necessary. The cost for the 15 seminary apartment buildings (not including the one additional Synod building) at 4 units a piece would be \$25.2M. The seminary plans to borrow internally on a 20-year loan amortization at an interest rate of 4%. The seminary substantially discounts rents for students. It has identified \$33M in endowments for which the restricted use includes student housing; earnings will be applied. Louis presented a first-three-year pro forma, adding endowment income and rental income totaling approximately \$2.1M a year, balancing loan interest, operating expense, and depreciation. From year 3 on, the net is positive.

The capital goal under *Christ the Cornerstone* includes \$50M for buildings; the seminary has been very successful with campaigns. With married student townhomes, faculty houses, the H-I-K building renovation, and single student housing, the first-phase total is \$53M. As money is raised, projects will be “knocked down.”

The seminary is prepared, with approval, to clarify the new direction on the campus and to communicate externally—and to begin work immediately with faculty housing and then the married student apartments. The seminary will go to the planning commission in April. Egger and Louis fielded various questions from the board. Egger noted no concerns with filling married student housing as planned.

291. Legal Review

The board entered executive session.

291X. Executive Session III: Legal Review

The board returned from executive session.

292. Chief Financial Officer / Financial Report and Giving Trends

Chief Financial Officer Nathan Haak elaborated on his pre-meeting memo (pp. 59–63/649) and written report (pp. 56–58/649). With a series of slides (pp. 466–510/649) he presented Fiscal Year 2026 second-quarter (FY26Q2) financials (as of December 31, 2025). In the “upside down P&L” (p. 468) he noted increased expenditures of \$38.66 million (M) relative to \$36.80M in the same period of the previous fiscal. Significant contributors to the increase are legal costs (an increase of \$1.2M) and the on-budget and largely on-track constituent relationship management (CRM) project (\$380 thousand [k]). Regarding CRM, additional work has been scoped for phase 1 at lower-than-expected cost and significantly accelerating the utility of the tool. Net asset releases are up by approximately \$1M to \$27.6M, reflecting strong restricted funding availability (bequests have built balances—especially that of the global mission fund—by \$6.5M this fiscal, more than offsetting a net draw of \$2.7M in the same period of the previous); district giving is down from \$6.5M to \$5.8M on the period and expected to be soft the rest of the fiscal and lower in the next. Unrestricted interest and dividend income increased to \$1.6M from \$1.4M with term notes muting impact of lower rates; market gains are remarkably similar at \$3.8M each year. Audit and Finance Chairman Mackay noted an excellent job by Haak in managing investments. Unrestricted net assets have grown by \$6.4M (\$6.3M in the same period of FY25) and total net assets, by \$16.0M relative to \$7.0M last).

In a restricted revenue update (p. 469), Haak noted that OIM (excluding missionaries) has set a record relative to the last five fiscal first halves with \$4.9M received in FY26H1, nearly achieving its full-year budget of \$5.0M; ONM (excluding disaster) has received only \$524k, below averages and pace for a full-year budget of \$1.5M. Bequests of \$11.1M have already exceeded the full-year budget of \$7.9M. A \$5M gift split between OIM General and ONM Endowment in July has bolstered totals. In unrestricted and total (p. 470–71), Haak noted slowing in district giving and positive returns in bequests (\$2.4M on full-year budget of \$1.75M), which will buffer district downside on the year, and interest and investment returns (\$1.6M, stronger than FY25’s \$1.4M, on a full-year budget of \$4.0M). Asked, Haak noted downward district adjustments (based both on reduced district income from congregations and reduced shares passed along to Synod) are “for the foreseeable future.” Bequests, generally given to less-restricted buckets, have high utility; this is *already* at the half the second highest full year for bequests since at least 2021. At the same time, bequests represent final gifts and are very difficult to predict for budgetary purposes.

Haak noted (p. 472) no challenges among key metrics and ratios, with a current ratio of 4.8, an 83.3% program spending ratio (including Youth Gathering [YG]), 153 days cash on hand (excluding YG; 242 days including term notes), and headcount at 191, down from 198 and the end of FY25 but up from 185 at the end of FY24. Balances and investment allocation and performance were also reported on (pp. 472–73). With gains over the past several years and markets high, combined with significant outflows over the last few months, some funds will be moved back to cash in the next few months. This will de-risk the unrestricted net asset position, ensuring we are not being “overly aggressive,” while still maintaining prudent market exposure to generate financial returns. Asked, Haak discussed tactical strategies in allocation to core and high yield bond funds.

293. Strategic Plan / Three-Year Plan

Haak drew the board’s attention to the memo and associated analysis shared in print with the board (pp. 64–72/649). He explained primarily the bridges (p. 65) relating the FY26 total budget (\$94.5M) to the FY26 “base” for which funding sources need to be identified (\$65.6M). Haak then worked from that base budget to a hypothetical “status quo” base budget for FY29 (a three-year outlook) of \$68.8M. The spread involves \$3.6M in personnel/benefit inflation, \$2.9M in other inflation, reductions due to various, specific cessations (e.g., service on the CUS debt of \$650k/year and the Concordia Historical Institute \$500k additional capital grant in FY26) or reduction of current activity, and some small anticipated items added. “Inflation doesn’t stop.” Nonetheless, a 1.5% annual increase in budget over the next three years is “a great starting point,” but of course funding needs to be lined up and the desire always to do more is not accounted for.

On the revenue prediction side, Haak noted steeper recent declines in district giving, which will begin to pull longer-term averages down more sharply (p. 67). Districts are under pressure and the brunt is not only felt by the Synod but by the districts in their own budgets and activities. In a broader revenue outlook (p. 68), Haak noted a total revenue projection for FY29 of \$62.9M using some “very broad-based assumptions.” Projecting forward the three and out to ten years (p. 70), Haak noted that base revenue is likely to plateau around \$67M around FY33, and total around \$72M, but inflation continues to increase expense, with operating deficits arising around FY31 and deepening to \$3.3M in FY34 and \$7.4M annually by FY36.

While not yet developed into a full-fledged plan, this is a starting point for putting forward a real “base-case” scenario and thinking about options to either increase projected surpluses or, if the base case is improved on, where the investment should be made.

In response to a question regarding advice a couple years ago to go “all in” on Mission Advancement, Haak explained that a gap in leadership has slowed progress. There is a perpetual job opening for mission advocates, a challenging skill set to find; building on the standing number has proven nearly impossible. Galchutt noted hiring picked up in the Summer of 2025 but losses have to some extent offset. There are struggles to increase donor count, but gifts per donor have increased. ONM and OIM giving changes seem to be traceable to changes in Mission Advancement emphasis, which is seen as a positive. There has been much discussion relative to the CRM project, that once the new system is implemented and efficiencies are attained, capacity should be increased.

Finance and Audit Chairman Mackay noted this as good work for establishing a “base of expectations.” Nearer term projections (3 years) are much more reliable. The board further discussed district giving.

294. Finance and Audit Committee

Finance and Audit Committee Chairman Mackay reported on his committee’s “straightforward” meeting the evening previous:

- Internal Audit (IA) staffing and plan were approved, with four auditors including the director—a fully staffed position.

The board entered executive session.

294X. Executive Session IV: Finance and Audit Committee

The board returned from executive session. The discussion of Internal Audit continued:

- The committee reviewed FY2026–27 objectives and a regularized set of general IA administrative tasks.
- Key financial processes for payroll and manual journal entries will be explored, along with key employee expenses and Office of International Mission regional offices. With CRM implementation, records will be cross-checked with the accounting system.
- IA is covering 19 districts, same as the previous.
- CHI and CUS national office are being audited. IA is exploring assisting CPS with preparation for a HIPAA audit.

The committee reviewed progress on the Armanino audit, where things are progressing on schedule. One year remains in the engagement. The committee will be considering going out for bid.

The committee also reviewed CFO Haak’s strategic planning material. Mackay also noted new metrics for colleges and universities in the Audit Committee docket, which the board may want to explore—a very rich set of data metrics and a pretty compelling presentation, starting with Concordia University Nebraska. Haak is doing “a very nice job” in helping the board become a valuable interlocutor with the universities about their financial health and vitality.

The committee reviewed the Concordia Seminary, St. Louis, master plan and the Concordia University Wisconsin proposal, both of which are before the board.

Finally, the committee reviewed the Concordia Risk Solutions funding proposal, on which CFO Haak will present.

295. President’s Appointment of a Chief Mission Officer

The board entered executive session.

295X. Executive Session V: President’s Appointment of a Chief Mission Officer

296. Hong Kong International School Update

The board continued in executive session.

296X. Executive Session VI: Hong Kong International School Update

The board returned from executive session.

297. Concordia International School—Hanoi Update, Land Lease Purchase

Concordia International School—Hanoi (CISH) Head of School Doug Grove joined the board to present again on the school’s land lease purchase opportunity (pp. 385–400/649), previously presented to the board in November. He requested board action allowing the 0.4 hectare (ha) land purchase. Grove reviewed the situation described in November, in which amassing the entire 2.4 ha plat, as indicated on the Hanoi People’s Committee (HPC) Master Plan, as will be helpful to extending the school’s BCC agreement. Grove described possibilities for development of the new plot of plan with a Building C (approval would be sought from the board in May or September). He also described two options (pp. 392–94/649), of which the first (directly securing the land lease with HPC) is recommended by counsel. Grove set forth a timeline for Building C construction options, which are still very much under development, and financial details on the proposed land lease transaction (p. 396/649), which the school can cover in free cash flow. Work is underway on the school’s operating agreement with Holdings Vietnam, LCMS Holdings, and LCMS; this is expected to be presented to the board for approval in May. Building C could expand the campus of ~550 students today by ~200 to 750–800. Grove noted a waiting list of about 80, trending higher. Grove explained that up to half the students can be Vietnamese; Korean, Japanese and American expats fill out the school.

The CISH board has unanimously approved the land purchase. The board is asked for its approval. Board members noted appreciation for the clear presentation.

298. Concordia University Wisconsin—Ann Arbor

The board entered executive session.

298X. Executive Session VIA: Concordia University Wisconsin—Ann Arbor

299. Executive Compensation and Movement of Key Employees

The board continued in executive session.

299X. Executive Session VIB: Executive Compensation

The board returned from executive session.

Yow outlined the proposed policy on movement of key employees (p. 105/649), which requires conversation before seeking the movement of a key employee from corporate or one entity to another place.

Noted in Policy 6.4.6.2 was that “all of whom shall be members in good standing of Synod and all of whom are partners in ministry with Synod” should be replaced with “all of whom contribute to the ministry of the Synod.” This was accepted by consent.

It was suggested to include the higher education institutions of the Synod also in the policy. By consent this was accepted, the Secretary to devise the language.

300. Action Items**(A) 2026 Salary Range Adjustment**

The Department of Human Resources conducts an annual review of local and national salary trends and compares them with the current LCMS salary ranges and actual salaries. The objective of this analysis is to measure the ability of International Center employers to remain competitive with the local not-for-profit market, consistent with the LCMS compensation philosophy. These processes are evaluated on a regular basis to ensure continued alignment with industry best practices. It was moved (pp. 402–3/649) by the Personnel Committee and adopted:

WHEREAS, The salary range adjustment methodology has been validated by market survey data specifically reporting industry salary range projections; and

WHEREAS, The results of the analysis indicate an adjustment is required to remain compliant with the system; therefore be it

Resolved, That effective March 1, 2026, the salary ranges be adjusted by approximately 2.2 percent to reflect alignment with market survey data; and be it further

Resolved, That as of July 1, 2026, employees whose compensation falls below the minimum for their salary grade shall have their salary adjusted to reflect the new minimum for their grade to remain compliant with the system.

(B) Allowances and Honoraria

Policy 4.15.3.2 requires the budget to include provisions for specific honoraria and presidential entertainment and vehicle expenses in amounts to be recommended by the Personnel Committee. These expenses are and have been included each year in the President’s Office expense budget that is approved by the Board. In response to the Audit Committee’s request, the Personnel Committee will encourage the board to include these items each year in its annual resolution setting officer salaries. The resolution below was moved (p. 404/649) by the Personnel Committee. Mackay noted these levels were set in 2014, a third

lower in value today because of inflation. He moved amendment to add the final resolve, which was adopted. The resolution, as amended, was adopted, the President abstaining:

WHEREAS, The Synod President, as a full-time executive, has ancillary expenses due to extensive travel and vast ecumenical, ecclesiastical, and administrative responsibilities; and

WHEREAS, The Regional Vice-Presidents are elected officers of the Synod and advisors of the President and, upon the President's request or as requested by the Synod, shall assist him in discharging his responsibilities or represent him; and

WHEREAS, The Accounting Department endeavors to prepare a comprehensive annual budget that reflects all expenses; therefore be it

Resolved, That a President's entertainment and vehicle allowance of \$10,000 and \$12,000, respectively, is approved and shall be included in the FY27 budget; and be it further

Resolved, That the FY27 budget include an honorarium of \$800 per month for each of the second through sixth Regional Vice-Presidents (for a total of \$48,000); and be it finally

Resolved, That the Personnel Committee review in each convention year whether adjustments are warranted.

(C) Concordia Seminary, Saint Louis, Master Plan

It was moved (pp. 405–6/649) and adopted:

WHEREAS, Concordia Seminary previously adopted, and the LCMS Board of Directors (BOD) previously approved a Master Plan in 2017, which has served the seminary well and guided many activities; and

WHEREAS, The foundation of that Master Plan remains the same, but much has been learned from the implementation of that plan and many of the circumstances surrounding it have changed; and

WHEREAS, In November 2024, the LCMS BOD approved specific action required by the 2017 Master Plan approval that included construction of student housing much closer to the core of the Seminary Campus; and

WHEREAS, The remoteness in possibility of the Seminary's ability to monetize its westernmost acres has caused the Seminary to re-evaluate the use of that land and the needs for student housing, resulting in a decision to demolish the existing Married Student Housing and rebuild them in place; and

WHEREAS, This decision represents a significant change not only in the specific construction and location of Student Housing, but a realignment of the Master Plan itself; and

WHEREAS, Synod Bylaw 3.3.4.5 (e) states, "regarding the Synod's colleges, universities, and seminaries, the board shall approve capital projects in relation to campus property management agreements and institutional master plans and shall establish and monitor criteria for determining institutional viability, fiscal and otherwise."

In order to fulfill this responsibility, the Synod Board of Directors Policy Manual provides the following.

6.3.3.11 An educational institution requesting that the Synod Board of Directors approve a new or revised master plan shall submit a resolution to the Synod Board of Directors with the following items:

- (a) A copy of the previously approved Master Plan and highlight any changes along with short-term, mid-term, and long-term plans for the updates.

- (b) A copy of the most recent deeds, restrictive use covenants, or other similar documentation to confirm reversionary interest to the LCMS.
- (c) A legal update on the state laws or specific scenarios that may affect reversionary interest rights to the LCMS.
- (d) A strategic plan document with justification to update the Master Plan.
- (e) An explanation of how the strategic plan and master plan updates fit within the mission.
- (f) A financial report with existing financial commitments (e.g. property liens, debt ratio, etc.)
- (g) A detailed financial plan on how they plan to achieve funding for estimated capital projects within the master plan.

and

WHEREAS, Concordia Seminary has adopted (Appendix 1, p. 139/649) a new Master Plan 2026 (Appendix 2, pp. 140–66/649), relying on the foundation of the previous Master Plan 2017, appropriately updated, and:

- (a) has attached a copy of the Master Plan 2017 and detailed within the proposed Master Plan 2026 highlighting changes and updates (Appendix a, pp. 220–96/649).
- (b) has attached the most recent deed to the Seminary campus confirming the reversionary interest to the LCMS (Appendix b, pp. 297–300/649).
- (c) confirms:
 1. Missouri law regarding the Synod's Reversion Interest Rights has not changed
 2. The CSL deed continues to carry the Synod's Reversionary Interest Rights on it
 3. In the opinion of counsel, no changes proposed in this Master Plan and capital expenditure request impact the validity of those reversionary rights
- (d) has attached the Strategic Plan 2022–26 (Appendix d, pp. 167–81/649).
- (e) has integrated this Strategic Plan 2022–26 into the proposed Master Plan 2026 as its overarching Goals.
- (f) has attached the audited financial statements of the Seminary for the year ended June 30, 2025, indicating no debt/liens and confirms there are still none (Appendix f, pp. 182–215/649).
- (g) has attached an excerpt from an October 2025 letter to Felix Loc and the LCMS BOD detailing the Seminary's capacity for its capital plans including both fundraising for these projects and earnings from existing endowments which supports these projects. (Appendix g, pp. 216–19/649).

therefore be it

Resolved, That the LCMS Board of Directors, upon the recommendation of the Concordia Seminary Board of Regents, approve the attached Master Plan 2026.

(D) Concordia Seminary, Saint Louis, Married Student Housing Demolition and Reconstruction

It was moved (pp. 407–8/649) and adopted:

WHEREAS, In November 2024, the LCMS Board of Directors (BOD) approved construction projects on the Concordia Seminary, St. Louis, (CSL) campus including new single and married student housing close to the core of the Seminary Campus; and

WHEREAS, The CSL Board of Regents has resolved to continue with the plan for single student housing, but change the plan for married student housing; and

WHEREAS, The CSL Board of Regents has adopted a new Master Plan 2026 and submitted that master plan to the LCMS BOD for approval; and

WHEREAS, That master plan included the demolition of the current Woods Married Student Housing and reconstruction of those buildings, in substantially the same locations; and

WHEREAS, The CSL Board of Regents, on January 30, 2026, resolved to demolish these housing units and rebuild them in substantially their same locations, requesting approval of the same from the LCMS BOD; and

WHEREAS, Construction of this housing will be funded internally, with no external debt; therefore be it

Resolved, That the LCMS Board of Directors, upon the recommendation of the CSL Board of Regents, approve the demolition and reconstruction of the existing Woods Married Student Housing.

(E) Concordia International School—Hanoi, Land Lease Purchase

It was moved (p. 409/649) and adopted:

WHEREAS, Concordia International School Hanoi (CISH) was established in 2011 to operate an international school in Hanoi, Vietnam. CISH is owned by LCMS Holdings Limited Vietnam (LHLV) and LHLV is wholly owned by LCMS Holdings, Ltd, a Hong Kong corporation (Holdings HK), and Holdings HK is wholly owned by the Lutheran Church—Missouri Synod (LCMS); and

WHEREAS, CISH requires the consent of LCMS to enter into the land lease purchase agreement, together with the estimated costs; and

WHEREAS, The CISH Board and administration have determined that the purchase of the land lease agreement of .4 hectares from Noble Vietnam Company Limited is in the best interest of CISH and LCMS; and

WHEREAS, The projected cost to purchase the land lease is 1.5 million USD; and

WHEREAS, As of February 2, 2026, CISH maintains a cash balance of 10.5 million USD, with free cash of 2.3 million USD; and

WHEREAS, CISH intends to purchase the land lease from Noble Vietnam Company Limited over a five-year period with an annual payment of 300,000 USD; and

WHEREAS, CISH currently possesses the cash available to enter into a land lease purchase agreement without bank financing; and

WHEREAS, The CISH Board or Trustees, at its January 29, 2026, meeting, unanimously approved a motion to enter into the land lease purchase agreement of the .4 hectares from Noble Vietnam Company Limited; therefore be it

Resolved, That the LCMS Board of Directors hereby authorize LCMS Holdings Limited Vietnam to enter into the land lease purchase agreement to obtain the .4 hectares from Noble Vietnam Company Limited for 1.5 million USD.

(F) Revision of Policy 6.4.3, Salary Administration, and Addition of Policy 6.4.4, Incentive Compensation and Bonuses (Governance Committee Item 26-003)

It was moved (pp. 410/649) by the Governance Committee and adopted:

WHEREAS, Board of Directors Policy 3.13.4.1 (a) directs the Governance Committee to review the policies of the board and to make recommendations for new or amended policies; and

WHEREAS, The Governance Committee has proposed modification of Section 6.4.3, “Salary Administration Policy 6.4.3,” and addition of Section 6.4.4, “Incentive Compensation and Bonuses”; and

WHEREAS, Board members are encouraged to provide comments and suggestions regarding these proposed changes and any other change they deem appropriate to raise for the board’s consideration during the review of these policy sections; therefore be it

Resolved, That the Board of Directors adopt the changes to The Lutheran Church—Missouri Synod Board of Directors Policy Manual as outlined on GC Agenda Item 26-003 attached to the January 21, 2026, Governance Committee minutes (pp. 101–4/649, as modified in executive session); and be it further

Resolved, That the Board of Directors also direct the table of contents, index, and other references to updated, as necessary.

(G) Adoption of Policy 6.4.7: Movement of Key Employees (Governance Committee Item 25-017)

It was moved (pp. 411/649) by the Governance Committee and adopted:

WHEREAS, Board of Directors Policy 3.13.4.1 (a) directs the Governance Committee to review the policies of the board and to make recommendations for new or amended policies; and

WHEREAS, The Governance Committee added a new Section 6.4.7, “Movement of Key Employees among Corporate Synod and Synodwide Corporate Entities”; and

WHEREAS, Board members are encouraged to provide comments and suggestions regarding these proposed changes and any other change they deem appropriate to raise for the board’s consideration during the review of these policy sections; therefore be it

Resolved, That the Board of Directors adopt the changes to The Lutheran Church—Missouri Synod Board of Directors Policy Manual as outlined on GC Agenda Item 25-017 attached to the January 21, 2026, Governance Committee minutes (p. 105/649, as adjusted above); and be it further

Resolved, That the Board of Directors also direct the table of contents, index, and other references to updated, as necessary.

(H) Fiscal Year 2026 Legal Budget Increase

CFO Haak explained reasons for increased legal spending, exceeding the budget beyond the CFO’s ability to adjust the budget as needed. It was moved (p. 643/649) and adopted:

WHEREAS, Based on trajectories, the LCMS has spent \$1.88 in legal expenses for the first half of the FY and with upcoming expenses expects to finish the FY around \$3.5 million; therefore be it

Resolved, That the Board of Directors increase the total FY26 Legal Expense Budget to \$3.5 million:

	FY26 Budget/Expense			YTD Expense vs. Budget		
	Annual Budget	YTD Budget	YTD Expense	Annual Budget	YTD Budget	YTD Net
Legal Budgets	1,754,000	877,000.04	1,880,395	107.21%	214.41%	(1,003,395)

and be it further

Resolved, That the Board of Directors approve a \$3.5 million legal budget for FY26.

(I) Concordia University Wisconsin—Ann Arbor, Nursing Addition, Construction Authorization

It was moved (p. 644/649, as read, as follows) and adopted:

WHEREAS, The Concordia University Wisconsin Board of Regents has authorized the commencement of a new nursing addition in alignment with the University's Strategic Master Plan, Phase 1; and

WHEREAS, The proposed nursing addition is the first project in the Campus Master Plan and its construction is scheduled to begin May 2026 to meet the facility needs of CUW; and

WHEREAS, In accordance with the procedures outlined in Section 6.3.3.12 of Board of Directors Policy, all relevant planning materials, supporting documentation, and architectural concepts have been assembled to provide a comprehensive overview of the project's scope and rationale; therefore be it

Resolved, The LCMS Board of Directors hereby authorize Concordia University Wisconsin administration to pursue, finalize the plans, and begin construction on the nursing building in relation to the Master Plan (Phase 1) of the University at the Mequon campus, provided the university agrees to address to the satisfaction of LCMS the campus reversionary language issues identified in the materials presented to the board.

(J) To Amend Bylaw Section 1.5, etc., to Unify in the Bylaws and Revise Corporate Formation Requirements for Instrumental Entities of Corporate Synod and Agencies of the Synod

It was moved and carried to adopt, and direct the Secretary to submit, the overture to the convention (pp. 3–17/39 of the board's overture docket supplement).

Member Stathakis voted no and asked his vote be recorded on the minutes as a concern for time to fully consider the changes.

Interim CAO Haak and Secretary Sias were asked to present in May on the administrative burden of this item, in view of supporting upcoming floor committee work.

(K) To Clarify and Streamline the Responsibilities of Appointed Officers of the Synod

It was moved and carried to adopt, and direct the Secretary to submit, the overture to the convention (pp. 24–28/39, as amended above).

(L) To Coordinate Responsibilities of Chief Mission Officer with other Synod Officers

It was moved and carried to adopt, and direct the Secretary to submit, the overture to the convention (pp. 29–31/39, as amended above).

(M) To Enhance Responsibilities of the Synod's Mission Boards

It was moved and carried to adopt, and direct the Secretary to submit, the overture to the convention (pp. 32–35/39)

(N) To Amend the Bylaws to Assign Concordia Risk Solutions to Concordia Plan Solutions

It was noted that Concordia Plan Services (CPS) is preparing an overture to allow for a somewhat more expansive description of the expansion of CPS duties in the bylaws than just to include the CRS activity. As an alternative it was moved and carried to develop and submit an overture to make the following insertion, with the Secretary to develop an appropriate rationale:

Resolved, to insert a new Bylaw 3.7.1.2 as follows:

- 3.7.1.2 Concordia Plan Services also is responsible for managing Concordia Risk Solutions, subject to the Constitution, Bylaws, and resolutions of the Synod, and subject to policies of, agreements with, and further action of the Board of Directors of the Synod.

(O) Overture to convert Concordia University System to the Commission on University Education

The board discussed the request from CUS to revise the board's approach on this item but no action was taken, allowing for further discussion to occur and then for the floor committee to address itself to both impressions.

301. Chief Financial Officer Review

The board entered executive session.

301X. Executive Session VIIA: Chief Financial Officer Review

302. Executive Committee Report

The board continued in executive session.

302X. Executive Session VIIB: Executive Committee Report

303. Meeting Review

The board continued in executive session to review the meeting according to Board Policy 3.9.1.5.

303X. Executive Session VIIC: Meeting Review

The board returned from executive session.

304. Adjournment

Having concluded its agenda, the board adjourned with a benediction by Rev. Hoem.

John W. Sias, *Secretary*