

## 4. Program and Finance

### To Plan Summit to Restore Harmony

#### RESOLUTION 4-01A

**Report 1-8-02 (CW, pp. 19–28); Overtures 4-05–07 (CW, pp. 192–193)**

WHEREAS, The Blue Ribbon Task Force for Funding the Mission rightly observes in its assumptions the hindrances to any model for funding the mission caused by internal “division in our Synod and the resultant mistrust” (CW, p. 20); and

WHEREAS, The task force also rightly states that “no funding plan we present is capable of fully succeeding in an organization that is seriously divided and engaged in issues that divert energies away from the ‘mission’” (CW, p. 23); and

WHEREAS, God’s Word calls us to “unity in the Spirit through the bond of peace” (Eph. 4:3); and

WHEREAS, Synod structure provides the manner through which differences might be settled; and

WHEREAS, Though agreed procedures have been followed, personal opinions and differences regarding practical application of clearly stated doctrine have made for continued discord; and

WHEREAS, Such discord has and is hindering the mission and is disheartening to God’s people to the point of withholding their support “for the common good”; therefore be it

*Resolved*, That the Council of Presidents and Board of Directors as elected leaders of the Synod be given the responsibility to initiate a specific plan for the sake of the whole church to restore harmony in our Synod; and be it further

*Resolved*, That they bring together a representative group of respected leaders throughout this church for a summit, and that at the end of this summit these church leaders present to the Council of Presidents and to the Board of Directors a strategy toward harmony that demonstrates how this great church body can provide a God-pleasing witness of our confession and practice; and be it finally

*Resolved*, That the product of their coming together honor the Scriptures and Confessions and dishonor the work of Satan that diverts us from the “way of the Lord.”

**Action:** Adopted (4)

(During discussion, a proposed amendment to delete “to clarify” and “a strategy” in the first resolve was agreed to by the committee. After further discussion, an amendment to delete the parenthetical statement in the final resolve “(including the Great Commission)” was adopted. The amended resolution was adopted [Yes: 1,014; No: 169].)

## To Begin a Stewardship Renewal through Enhanced Communication

### RESOLUTION 4-02

#### Report 1-8-02 (CW, pp. 19–28)

WHEREAS, The Blue Ribbon Task Force for Funding the Mission identified a significant need in our LCMS to strengthen the areas of stewardship in the life of every Christian within our church body; and

WHEREAS, God desires us to use our gifts for the furthering of the kingdom of God, as illustrated in Jesus' parable of the talents (Matt. 25:14-30); and

WHEREAS, Since the publication of the "Blue Ribbon Task Force for Funding the Mission Report," the First Vice-President of the Synod has had responsibility for coordinating stewardship renewal; therefore be it

*Resolved*, That every individual, congregation, district, and the Synod itself continue to strive to respond to God's marvelous goodness and grace through its stewardship life; and be it further

*Resolved*, That the First Vice-President of the Synod continue to coordinate the organization of the national and district leaders and other assisting entities in the development of resources, training, and strategic components for an expanding stewardship renewal in the life of our church; and be it finally

*Resolved*, That as a part of this effort, recommendation #4 of the "Blue Ribbon Task Force for Funding the Mission Report" concerning enhanced communication among us be considered.

**Action:** Adopted (6)

(After its introduction by the committee, a motion was offered to amend the resolution: "WHEREAS, Godly, pious stewardship is part of a Christian's sanctified life that flows from being justified by God's grace; and WHEREAS, Justification is accomplished through the preaching of the Gospel and the administration of the Sacraments; and WHEREAS, The lectionaries of our Synod are designed to communicate the whole counsel of God to God's people; and WHEREAS, The amount of money received by the Synod is not an accurate or reliable measure of the stewardship of individuals, congregations, or districts of the Synod; and WHEREAS, Individuals, congregations, and districts also exercise their stewardship through support of recognized service organizations, planting of new congregations, supporting the ever-increasing costs of Concordia Plans Services, disaster relief, etc.; therefore be it *Resolved*, That the President of the Synod, district presidents, and circuit counselors encourage the pastors under their ecclesiastical supervision to continue administering the Sacraments and preaching to their congregations the whole counsel of God with the Gospel predominating." After the chair ruled this proposal to be a substitute motion, the assembly voted not to consider it. After additional discussion, the resolution was adopted as presented by the committee [Yes: 914; No: 277].)

## To Develop Program to Emphasize Biblical Whole Life Stewardship

### RESOLUTION 4-03

#### Report 1-8-02 (CW, pp. 19–28)

WHEREAS, Biblical whole life stewardship is critical to the spiritual health of the individual, the local congregation, the district, and the Synod; and

WHEREAS, The pastor is critical to the understanding and sharing of biblical whole life stewardship; and

WHEREAS, Currently there is limited training and teaching about biblical whole life stewardship at the seminary level because of the press of other disciplines, and no consistent continuing education program for pastors is in place; and

WHEREAS, Many professions have credentialed continuing education programs in place; therefore be it

*Resolved*, That the convention assign to the Council of Presidents the task of developing a mentoring and training program for clergy with emphasis on biblical whole life stewardship to be presented to the 2010 convention.

**Action:** Adopted (4)

(The resolution was adopted as presented by the committee without discussion [Yes: 941; No: 226].)

**To Authorize Exception to 2004 Res. 4-11 re Property Reversionary Provisions**

**RESOLUTION 4-04**

**Overture L4-38 (TB, pp. 50–51)**

WHEREAS, The Concordia College—New York Board of Regents, on Feb. 2, 2007, authorized “*CONCORDIA ON THE MOVE*,” a plan for redeployment of assets to strengthen the college; and

WHEREAS, On Feb. 15, 2007, the Board for University Education approved the *CONCORDIA ON THE MOVE* program, contingent upon completion of a reversionary interest agreement between the college and the Synod; and

WHEREAS, Certain restrictive covenants between The Lutheran Church—Missouri Synod and Concordia College—New York are no longer enforceable because of a New York Statute of Limitations; and

WHEREAS, Concordia College—New York has been advised by its attorneys that it cannot execute new restrictive covenants with The Lutheran Church—Missouri Synod unless it receives fair market value consideration; and

WHEREAS, The Board of Regents has taken action to amend the Bylaws of Concordia College—New York by adding a bylaw that can only be amended with the prior consent of The Lutheran Church—Missouri Synod, the bylaw providing that all net assets will be distributed to The Lutheran Church—Missouri Synod upon the dissolution or liquidation of the school; and

WHEREAS, Res. 4-11 of the 2004 convention of the Synod specifically required that such property reversionary provisions be included in the Articles of Incorporation of corporate agencies of the Synod; therefore be it

*Resolved*, That The Lutheran Church—Missouri Synod in convention authorize the bylaw solution provided by Concordia College—New York in lieu of the requirement of 2004 Res. 4-11 that such provisions be included in the Articles of Incorporation.

**Action:** Adopted (4)

(The resolution was adopted as presented by the committee without discussion [Yes: 1,039; No: 86].)

## To Amend Bylaws 3.8.3.6.4 (e) (2) and 3.8.3.6.4 (i) (2) re Financial Management

### RESOLUTION 4-05

Overture 4-33, (CW, pp. 202–203)

#### Rationale

Bylaws 3.8.3.6.4 (e) (2) and 3.8.3.6.4 (i) (2) are part of the list of responsibilities of the institutional boards of regents. These two bylaws reflect a period in the history of higher education when the Synod Treasurer provided all operating funds for higher education institutions from a pool of Synod dollars. Tuition and gifts received at an institution were transferred to the Synod treasury and drawn out as needed to maintain the operation of an institution. Today, institutions of higher education are largely responsible for their own financing of operations, either from tuition or through donor gifts. A line of credit through the Office of University Education supports their operations during the months between tuition receipts. The Office of University Education pools any excess operating funds to maintain the line of credit for institutional support when needed.

This approach places the responsibility for managing cash flow upon the institution and the Office of Higher Education (Concordia University System).

Therefore be it

*Resolved*, That Bylaw 3.8.3.6.4 (e) (2) be amended to read as follows:

#### PRESENT PROPOSED WORDING

(2) All surplus institutional funds above an adequate working balance shall be ~~deemed to be surplus and shall be deposited with the Vice President Finance Treasurer of the Synod~~ Concordia University System for investment. Earnings from such investments shall be credited to the depositing institution.

and be it further

*Resolved*, That Bylaw 3.8.3.6.4 (i) (2) be amended to read as follows:

#### PRESENT PROPOSED WORDING

(2) Receiving of all gifts by deed, will, or otherwise made to the institution and ~~delivering them to the Vice President Finance Treasurer of the Synod or such other person as may be designated by the Board of Directors of The Lutheran Church – Missouri Synod, unless precluded by law or the terms of the gift. In such case, the board of regents shall hold and administer~~ managing the same, in accordance with the terms of the instrument creating such gift and in accordance with the policies of the ~~Board of Directors of The Lutheran Church – Missouri Synod~~ board of regents.

**Action:** Adopted (4)

(The resolution was adopted as presented by the committee without discussion [Yes: 1,037; No: 87].)

**To Revise Bylaw Sections re Name Change  
to Concordia Plans and Concordia Plan Services**

**RESOLUTION 4-06**

**Overture 4-01, (CW, pp. 189–190 )**

WHEREAS, On June 21, 2005, a separate corporation, Concordia Plan Services, was created to administer the various benefit trusts of The Lutheran Church—Missouri Synod. In addition, the new Concordia Retirement Savings Plan was also created, both necessitating an update of the Bylaws of the Synod to reflect these changes; and

WHEREAS, The name “Board of Trustees” better reflects the responsibilities of the board relative to the various trusts it administers, suggesting that “Board of Managers” be changed to “Board of Trustees”; and

WHEREAS, The Board of Directors—Concordia Plan Services and the Board of Managers—Worker Benefit Plans approved the recommended changes in their September 2006 meeting; and

WHEREAS, These recommended changes require amendments to the Bylaws of the Synod as well as the plan documents of the various Concordia Plans and the Pension Plan for Pastors and Teachers; and

WHEREAS, The LCMS Board of Directors, at its November 2006 meeting adopted a resolution supporting the Board of Directors of Concordia Plan Services’ and the Board of Managers of Worker Benefit Plans’ request to amend the bylaws noted below; and

WHEREAS, The LCMS Board of Directors referred the matter to the Commission on Structure for review and implementation; therefore be it

*Resolved*, The Synod in convention amend the Bylaws of The Lutheran Church—Missouri Synod to make the following changes:

**PRESENT/PROPOSED WORDING**

1.2.1 The following definitions apply to the entire Bylaws of The Lutheran Church—Missouri Synod:

(a) **Agency**: An instrumentality other than a congregation, whether or not separately incorporated, which the Synod in convention or its Board of Directors has caused or authorized to be formed to further the Synod’s objectives.

(1) Agencies include each board, commission, council, seminary, university, college, district, ~~Worker Benefit Plans~~ Concordia Plan Services, and each synodwide corporate entity.

(2) The term “agency of the Synod” does not describe or imply the existence of principal and agency arrangements as defined under civil law....

...(c) **Corporate Synod**: The Lutheran Church—Missouri Synod, the Missouri nonprofit corporation, including the departments operating under the supervision of the Board of Directors of the Synod and the program boards and commissions of the Synod.

(1) “Corporate Synod” is not an agency of the Synod.

(2) Concordia Plan Services is a controlled entity of The Lutheran Church—Missouri Synod created to manage the Concordia Plans.

(~~23~~) ~~Worker Benefit Plans~~ The Concordia Plans, while operating under the supervision of the Synod Board of Directors, ~~is a~~ are trust agencies ~~agency~~ whose assets are not the property of corporate Synod....

...(m) **Property of the Synod**: All assets, real or personal, tangible or intangible, whether situated in the United States or elsewhere, titled or held in the name of the Synod, its nominee, or an agency of the Synod. “Property of the Synod” does not include any assets held by the Lutheran Church Extension Fund—Missouri Synod or by an agency of the Synod in a fiduciary capacity (including, for purposes of example, the funds ~~administered~~ managed for the Concordia Plans by ~~Worker Benefit Plans~~

Concordia Plan Services and certain funds held by The Lutheran Church—Missouri Synod Foundation).

1.4.1 The delegate convention of the Synod is the legislative assembly that ultimately legislates policy, program, and financial direction to carry on the Synod's work on behalf of and in support of the member congregations. It reserves to itself the right to give direction to all officers and agencies of the Synod. Consequently, all officers and agencies, unless otherwise specified in the Bylaws, shall be accountable to the Synod for all their actions, and any concerns regarding the decisions of such officers or agencies may be brought to the attention of the Synod in convention for appropriate action. This provision does not apply to specific member appeals to ~~Worker Benefit Plans~~ the Concordia Plans, which has its own appeal process for such cases.

3.2.2.1 The boards of the Synod elected or appointed as otherwise prescribed in these Bylaws shall be:

1. Board for Pastoral Education
2. Board for University Education (Board of Directors of Concordia University System)
3. Board for Black Ministry Services
4. Board for Communication Services
5. Board for Human Care Ministries
6. Board of Directors of the Lutheran Church Extension Fund—Missouri Synod (Board for Church Extension)
7. Board of ~~Managers~~ Trustees—Concordia Plans who also serve as the Board of Directors for Concordia Plan Services ~~for Worker Benefit Plans~~
8. Board of Trustees for The Lutheran Church—Missouri Synod Foundation
9. A board of regents for each college, university, or high school of the Synod
10. Board of Governors of Concordia Historical Institute

3.3.1.3 The President shall have powers and duties that are both ecclesiastical and administrative.

(a) He shall report in person or through a vice-president or other officer of the Synod to all district conventions and to that end formulate the report that is to be made.

(b) He shall make provisions for new district presidents and members of boards and commissions of the Synod to be acquainted with their duties and responsibilities.

(c) He shall personally or by way of a representative have the option to attend all meetings of the Synod's program boards, the boards of all synodwide corporate entities, the Board of Trustees—Concordia Plans, and ~~Worker Benefit Plans~~ Board of Directors—Concordia Plan Services, including executive sessions.

3.3.4 The Vice-President—Finance—Treasurer shall be a layperson, shall not be an officer or staff member of a synodwide corporate entity, shall perform all customary duties of a corporate chief financial officer, and shall serve as a nonvoting member of the Board of Directors.

3.3.4.1 The Vice-President—Finance—Treasurer shall administer the financial affairs of the Synod, excluding the synodwide corporate entities, the districts, the Concordia Plans, and ~~Worker Benefit Plans~~ Concordia Plan Services.

(a) He shall carry out the duties of the office in accordance with the rules and regulations adopted by the Synod and as directed by the Board of Directors of the Synod.

(b) He shall receive and disburse the moneys of corporate Synod and keep accurate account of them under the instruction of the Board of Directors of the Synod.

(c) He shall act as the depository for all funds in the hands of corporate Synod's boards (excluding the Concordia Plans and ~~Worker Benefit Plans~~ Concordia Plan Services), commissions, officers, and employees who by virtue of their office act as custodians or trustees of such funds.

(d) He shall keep informed about financial affairs of the synodwide corporate entities.

(e) He shall serve as a nonvoting member of the governing boards of the Concordia University System, The Lutheran Church—Missouri Synod Foundation, the Lutheran Church Extension Fund—Missouri Synod, ~~Worker Benefit Plans~~ the Concordia Plans, Concordia Plan Services, and Concordia Publishing House, and on the investment committee of the Concordia Plans and ~~Worker Benefit Plans~~ Concordia Plan Services.

(f) He shall keep on file a correct list of all devises and bequests that directly or indirectly have been given to corporate Synod. Legacies and bequests made to other agencies of the Synod shall be reported annually to the Vice-President—Finance—Treasurer as part of the audit process.

3.3.5.6 The Board of Directors shall exercise general oversight over the operations and activities of the synodwide corporate entities, ~~and Worker Benefit Plans~~ the Concordia Plans and Concordia Plan Services as required of it in the Constitution of the Synod and specified in these Bylaws.

(a) It shall assure itself that their accounting, budgeting, and financial policies comply with generally accepted accounting standards.

(b) It shall assure itself that audits are performed by internal auditors or independent certified public accountants for the Synod's

(1) synodwide corporate entities;

(2) colleges, universities, and seminaries;

(3) districts; ~~and~~

(4) ~~Worker Benefit Plans~~ Concordia Plan Services; and

(5) the Concordia Plans.

(c) It shall be furnished with copies of these and any interim financial reports it requests.

### 3.7 Synodwide Trust Entities

3.7.1 The synodwide trust entities of The Lutheran Church—Missouri Synod ~~is Worker Benefit Plans~~ are collectively known as the Concordia Plans.

#### ~~Worker Benefit Plans~~ The Concordia Plans

3.7.1.1 Concordia Plan Services is responsible for managing the benefit plans/trusts of The Lutheran Church—Missouri Synod, including the Concordia Retirement Plan, Concordia Disability and Survivor Plan, Concordia Health Plan, Concordia Retirement Savings Plan, and Pension Plan for Pastors and Teachers, each of which is a separate trust operated under trust laws but collectively known as the Concordia Plans. ~~The Worker Benefit Plans are the Concordia Retirement Plan, the Concordia Health Plan, the Concordia Disability and Survivor Plan, the Pension Plan for Pastors and Teachers, and Support Programs, each of which is a separate trust operated under trust laws. The assets and liabilities of the respective plans are separate and distinct from those of the Synod and cannot be used to satisfy the liabilities and obligations of the Synod.~~

(a) The “Concordia Retirement Plan for Ministers of Religion and Lay Workers of The Lutheran Church—Missouri Synod, Its Member Congregations, Controlled Organizations, and Affiliated Agencies” is the retirement 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, as such plan has been heretofore or may hereafter be amended. The text of the plan, as amended from time to time, shall be published in booklet form under the supervision of the Board of ~~ManagersTrustees—Concordia Plans—Concordia Retirement Plan.~~

(b) 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, as such plan has been heretofore or may hereafter be amended. The text of the plan, as amended from time to time, shall be published in booklet form under the supervision of the Board of ~~ManagersTrustees—Concordia Plans—Concordia Health Plan.~~

(c) The “Concordia Disability and Survivor Plan for Ministers of Religion and Lay Workers of The Lutheran Church—Missouri Synod, Its Member Congregations, Controlled Organizations, and Affiliated Agencies” is the plan adopted by the Board of Directors of The Lutheran Church—Missouri Synod in accord with directives adopted at a prior convention of the Synod (Res. 10-02 of the 45th convention) to provide for surviving widows and children those benefits previously provided under the Concordia Retirement Plan. This plan also provides for disability benefits for such workers. The text of the plan, as amended from time to time, shall be published in booklet form under the supervision of the Board of ~~ManagersTrustees—ConcordiaPlans—Concordia Disability and Survivor Plan.~~

(d) The “Pension Plan for Pastors and Teachers of The Lutheran Church—Missouri Synod” is the pension plan established by the Synod as of Oct. 1, 1937, as heretofore or hereafter amended. The text



of the plan, as amended from time to time, shall be published in booklet form under the supervision of the Board of ~~Managers~~Trustees—Concordia Plans—Pensions and Support.

~~(e) The Support Program of the Synod is a program of financial assistance to those eligible ordained ministers, commissioned ministers, and other professional church workers and their eligible dependents who are in financial need. This aid is in the form of a gift from the budget funds of the Synod. Eligibility standards shall be determined by the Board of Managers.~~

~~(e) The Concordia Retirement Savings Plan is the tax-sheltered annuity retirement savings plan adopted by the Board of Directors in August 2003, effective October 1, 2005, as such plan has been heretofore or may hereafter be amended. The text of the plan, as amended from time to time, shall be published in booklet form under the supervision of the Board of Trustees—Concordia Plans.~~

~~(f) The lists of ordained and commissioned ministers appearing ~~in the~~ on the official roster of the Synod ~~current records of the Department of Human Resources of the Synod~~ shall be the official lists for the purpose of the Board of ~~Managers~~Trustees—Concordia Plans.~~

~~(g) National inter-Lutheran entities will be eligible to be “employers” under the various ~~Worker Benefit Plans—Concordia Plans~~ of the Synod unless the policies of such a plan preclude such organization as an eligible employer.~~

3.7.1.2 Concordia Plan Services is also responsible for managing other ancillary programs, including various supplemental insurance and administration services programs and the Support Program.

~~(ea) The Support Program of the Synod is not a trust but rather a program of financial assistance to those eligible ordained ministers, commissioned ministers, and other professional church workers and their eligible dependents who are in financial need. This aid is in the form of a gift from the budgeted funds of the Synod. Eligibility standards shall be determined by the Board of ~~Managers~~Directors—Concordia Plan Services.~~

~~(b) There exists and may be added in the future various ancillary supplemental insurance and administration services that will be made available to member organizations and their employees. These programs are not trusts and will be under the supervision of the Board of Directors—Concordia Plan Services.~~

3.7.1.3~~2~~ (Revisions to this Bylaw have been submitted under separate cover.)

3.7.1.4~~3~~ The Board of ~~Managers~~Trustees—Concordia Plans and the Board of ~~Directors—Concordia Plan Services~~ shall have all general and incidental powers and duties appropriate for the performance of ~~its~~ their functions.; ~~In addition, the Board of Trustees—Concordia Plans will have including~~ the powers and duties set forth in the respective plans, as amended from time to time. It may create or amend any plan within limits established by the Board of Directors of the Synod so long as such changes are reported to the Synod’s Board of Directors, since such power is finally vested in the Synod’s Board of Directors.

(a) When the Board of ~~Managers~~Trustees—Concordia Plans is carrying out its functions with respect to any such separate plan, it may be designated as the Board of ~~Managers~~Trustees of such separate plan.

(b) When the board is carrying out its functions generally, it may be designated as the “Board of ~~Managers—Worker Benefit Plans—Trustees—Concordia Plans~~ of The Lutheran Church—Missouri Synod.”

(c) The board shall make investment decisions at its own discretion or select and utilize investment counsel ~~other than the Board of Managers~~ and select agents and actuaries, in accordance with the Synod’s policies governing the investment of trust funds.

(d) It shall design for the Board of Directors of The Lutheran Church—Missouri Synod’s approval benefit plans which compare favorably with other similar plans while meeting the unique needs of full-time church workers in the Synod.

(e) It shall provide copies of all audit reports to the Board of Directors of The Lutheran Church—Missouri Synod for information, advice, and counsel.

(f) It shall settle disputes which arise in enrollment in the plans and the payment of claims and benefits.

6.1.4 Being a recognized auxiliary of the Synod offers the following privileges:

- (a) Eligibility of ordained and commissioned ministers of the Synod serving such organizations to remain on the membership rosters of the Synod as “active members,” if otherwise eligible.
- (b) Eligibility for obtaining church extension loans from the Lutheran Church Extension Fund—Missouri Synod (LCEF), unless the policies of LCEF preclude such organization as an eligible borrower.
- (c) Eligibility to be an “employer” under the ~~various Worker Benefit Plans~~ Concordia Plans of the Synod unless the policies of such a plan preclude such organization as an eligible employer.

**Action:** Adopted (4)

(As the resolution was introduced, the committee noted four instances in the proposed bylaw changes where words should have been underscored to designate new wording: “(5) the Concordia Plans” under Bylaw 3.3.5.6; and “Trustees—Concordia Plans” at the end of Bylaw 3.7.1.1 paragraphs (b), (c), and (d). The resolution was adopted as presented after brief discussion [Yes: 1,133; No: 17].)

**To Amend Bylaw 3.7.1.2 re Membership  
of Board of Directors—Concordia Plan Services  
and Board of Trustees—Concordia Plans**

**RESOLUTION 4-07**

**Overture 4-02, (CW, pp. 190–191)**

WHEREAS, The Board of Directors of Concordia Plan Services and the Board of Managers of Worker Benefit Plans (the latter's name to be changed to Board of Trustees—Concordia Plans per Res. 4-06) consist of the same appointed board members, currently ten voting members (two parish pastors, one teacher, and seven laypersons) and one non-voting member. At present, at least three of the laypersons must be experienced in the design of employee benefit plans and the remaining in the management of benefit plan investments; and

WHEREAS, With the growth of the Concordia Plans over the past decade (\$3 billion in assets, nearly \$400 million annual benefit payments, and a \$12.5 million administrative budget), increasingly complex decisions are required that affect investments, employee benefit design, and financial oversight. In addition, general corporate governance has changed in recent years as a result of financial problems in the corporate world, requiring greater financial oversight by audit committees of boards, resulting in the establishment of specific requirements for financial literacy for membership on audit committees; and

WHEREAS, The current structure with seven laypersons with specialized capabilities no longer provides adequate resources for the input and review needed from the board members, especially in committee sessions where much board work is accomplished and where the specialized capabilities are split between committees that meet concurrently. When board members' schedules force them to miss a meeting, multi-million dollar benefit or investment decisions end up being made in committee sessions by possibly only two members of the board; and

WHEREAS, Concordia Plan Services and Worker Benefit Plans believe that adding more laypersons with specialized benefit, investment, and finance/audit experience would greatly enhance its board's ability to function more effectively; and

WHEREAS, At its September 2006 meeting, a resolution was adopted to request the 2007 LCMS convention to amend paragraph 3.7.1.2 of the Bylaws to add three additional laypersons to the membership of the board, such laypersons to be appointed by the Board of Directors of the Synod (as are all other board members); and

WHEREAS, This change would necessitate amendments to the LCMS Bylaws and various Concordia Plans and Pension Plan for Pastors and Teachers documents, a resolution was proposed by the Board of Directors—Concordia Plan Services and Board of Managers—Worker Benefit Plans to obtain the support of the Board of Directors of the Synod for the change; and

WHEREAS, The LCMS Board of Directors at its November 2006 meeting adopted a resolution supporting the Board of Directors of Concordia Plan Services' and the Board of Managers of Worker Benefit Plans' request to have the 2007 LCMS convention amend paragraph 3.7.1.2 of the Bylaws by adding three additional laypersons to the membership of the board, such laypersons to be appointed by the Board of Directors of the Synod (as are all other board members); therefore be it

*Resolved*, That the Synod in convention amend Bylaw 3.7.1.2 of the *Handbook* as follows:

**PRESENT/PROPOSED WORDING**

- 3.7.1.2 The Board of ~~Managers~~ Directors of Worker Benefit Plans ~~Concordia Plan Services and the Board of Trustees of Concordia Plans~~ shall consist of ~~40–13~~ voting members appointed by the Board of Directors of the Synod and the Vice-President–Finance—Treasurer of the Synod as a nonvoting member. The ~~40–13~~ voting members shall include:
1. Two parish pastors

2. One teacher

3. ~~Seven~~ Ten laypersons, at least ~~three~~four of whom shall be experienced in the design of employee benefit plans, at least four of whom shall be and the others inexperienced in the management of benefit plan investments, and at least one of whom shall have significant financial/audit experience.

**Action:** Adopted (4)

(The resolution was adopted as presented by the committee without discussion [Yes: 1,121; No: 31].)

## To Amend Bylaw 3.8.2.5.5 (i) (2) re Financial Management

### RESOLUTION 4-08

#### Overtures 4-32, (CW, p. 202)

WHEREAS, Bylaw 3.8.2.5.5 (i) (2) is part of the list of the responsibilities of the institutional boards of regents. The bylaw reflects a period in the history of higher education in which the Synod Treasurer provided all operational funds for institutions of higher education from a pool of Synod dollars. Tuition and gifts received at an institution were transferred to the Synod treasury and drawn out as needed to maintain the operation of the institution. Today, institutions of higher education are largely responsible for their own financing of operations, either from tuition or donor gifts. A line of credit supports their operations during the months between tuition receipts. The amendment that follows places the responsibility for managing cash flow on the institution; therefore be it

*Resolved*, That Bylaw 3.8.2.5.5 (i) (2) be amended to read as follows:

#### PRESENT/PROPOSED WORDING

(2) Receiving of all gifts by deed, will, or otherwise made to the ~~seminary~~ institution and ~~delivering them to the Vice President Finance/Treasurer of the Synod or such other person as may be designated by the Board of Directors of The Lutheran Church—Missouri Synod, unless precluded by law or the terms of the gift. In such case, the board of regents shall hold and administer~~ managing the same, in accordance with the terms of the instrument creating such gift and in accordance with the policies of the ~~Board of Directors of The Lutheran Church—Missouri Synod~~ board of regents.

**Action:** Adopted (4)

(The resolution was adopted as presented by the committee without discussion [Yes: 1,093; No: 52].)

## **To Provide Financial Support and Adopt Funding Model for Seminaries**

### **RESOLUTION 4-09A**

#### **Overtures 4-04, 4-12–17 (CW, pp. 191–192, 195–96)**

WHEREAS, Holy Scripture tells us that among the gifts that God has given to His Church is the gift of “pastors and teachers” (Eph. 4:11); and

WHEREAS, The support of seminaries for the recruitment and preparation of pastors is a key objective of The Lutheran Church—Missouri Synod according to Art. III of the Constitution; and

WHEREAS, The Synod has understood the wisdom of providing support for these seminaries so that their energies may be properly focused on the preparation of pastors, missionaries, and deaconesses with integrity and a strong sense of service to the church; and

WHEREAS, God is blessing the efforts of the seminaries to recruit and prepare more men to study for the Office of the Holy Ministry; and

WHEREAS, The financial aid now needed challenges the financial structures of our seminaries, they being dependent on development and third-source income to cover both the financial aid that subsidizes tuition; and

WHEREAS, There has been a shift in member offerings from undesignated to designated giving resulting in a continuous increase in giving in support of the overall mission of the church, including support of the seminaries; and

WHEREAS, This shift has resulted in limited resources available from corporate Synod to our seminaries; and

WHEREAS, Both seminaries have responded to this shift in giving and to the Synod’s call with increased attention to recruitment, financial aid, and development; and

WHEREAS, The corporate Synod is supporting the seminaries with \$750,000 total from undesignated funds in the 2006–2007 budget; and

WHEREAS, The Synod as a whole supports the seminaries and neither requires nor expects them to contribute to the budget of the Synod; and

WHEREAS, The Board for Pastoral Education undertook as its immediate first task a systemic study of the funding models for theological education in our Synod (2004 Res. 4-02A); and

WHEREAS, The Board for Pastoral Education sought to engage leaders and representative agencies of the church for counsel and support in resolving this crisis (2004 Res. 4-02A); therefore be it

*Resolved*, That the Synod as a whole continue to support each seminary’s development efforts; and be it further

*Resolved*, That the funding model adopted by the Board for Pastoral Education be put into place, including:

- Continued direct funding of the seminaries by corporate Synod from its annual budget in the form of subsidy.
- An intentional and fundamental return to being tuition-driven institutions in order to make funding more predictable and reduce the risk of financial crises at the seminaries.

- The LCMS as a whole (individuals, congregations, circuits, districts, corporate Synod, and agencies) assumes primary responsibility for gathering funds to support seminary students and assist them in paying undiscounted tuition.

**Action:** Adopted (4)

(After discussion, the resolution was adopted as presented by the committee [Yes: 1,051; No: 89].)

## To Encourage Funding for Center for Hispanic Studies

### RESOLUTION 4-10

#### Overture 4-18 (CW, p. 196)

WHEREAS, The Center for Hispanic Studies (formerly known as the Hispanic Institute of Theology [HIT]) has been the most effective program for preparing LCMS Hispanic church workers, both lay and rostered; and

WHEREAS, Both the Synod's Board for Mission Services and the Board for University Education have eliminated their funding for the former HIT; and

WHEREAS, Concordia Seminary, St. Louis, currently provides funding for the Center through its budget; therefore be it

*Resolved*, That the Synod in convention give thanks to God for the opportunity to be involved with training church workers through the Center for Hispanic Studies at Concordia Seminary, St. Louis; and be it further

*Resolved*, That Concordia Seminary, St. Louis, be thanked for recognizing the importance of this ministry to the future of the Church; and be it further

*Resolved*, That Concordia Seminary, St. Louis, be encouraged to continue to include funding for the Center for Hispanic Studies in its annual budget; and be it finally

*Resolved*, That the Synod's Board of Directors be encouraged to seek additional funding to maintain and expand this program.

**Action:** (10)

(The resolution was adopted as presented by the committee without discussion [Yes: 837; No: 74].)



**To Encourage Participation in  
Concordia Plan Services, LCEF, and LCMS Foundation**

**RESOLUTION 4-12A**

**Overture 4-30, (CW, pp. 201–202)**

WHEREAS, The 2006 Blue Ribbon Task Force for Funding the Mission recommended a stewardship renaissance and called on entities and individuals of the LCMS to be good stewards; and

WHEREAS, Biblical stewardship imperatives require each organization to accomplish its tasks in the most efficient and effective manner possible for the “common good” of the whole body; and

WHEREAS, Concordia Plan Services has designed "The Church's Plan" so that each of the individual Concordia Plans complements the other in providing a total benefit package for the LCMS church worker; and

WHEREAS, At the present time, approximately 70 percent of LCMS employers have elected to adopt "The Church's Plan"; and

WHEREAS, Concordia Plan Services seeks to serve the entire LCMS and can do so with greater efficiency and effectiveness if all districts, congregations, and other LCMS entities are participating employers; and

WHEREAS, The Lutheran Church Extension Fund (LCEF) was incorporated in 1978 and ratified by unanimous action of the 1979 LCMS convention more effectively to serve the churches and entities of the LCMS by consolidating all district church extension funds into a single organization, pooling available funds to better meet all church needs, and efficiently meeting evolving state regulations; and

WHEREAS, LCEF seeks to serve the entire LCMS on a local, national, and worldwide basis through a full range of investment, loan, and service opportunities and can do so with greater efficiency and effectiveness if all LCMS districts become members of the national program; and

WHEREAS, The LCMS Foundation exists to serve the entire church, and can do so more efficiently and effectively if all organizations utilize its services; and

WHEREAS, The LCMS Foundation currently has Partner Member relationships with 18 LCMS districts, 9 universities/seminaries, and 12 other Synod auxiliaries and recognized service organizations; and

WHEREAS, The LCMS Foundation has helped and continues to help individuals establish direct and planned gifts for congregations and other entities within all 35 LCMS districts, for all 10 colleges and universities, for both seminaries, and for virtually all ministries of the church; therefore be it

*Resolved*, That the LCMS in convention encourage all governing boards and committees to review their responsibilities and their opportunities in relation to Concordia Plan Services, the Lutheran Church Extension Fund, and the LCMS Foundation to demonstrate our working together for the “common good” and to multiply current and future benefits for their congregations, districts, and the whole church body.

**Action:** Declined (6)

(After discussion of the resolution as presented by the committee, it was not adopted [Yes: 521; No: 654].)

**To Give Thanks and Praise to God  
for LCMS Foundation's 50 Years of Service**

**RESOLUTION 4-13**

**Overture 4-31 (CW, p. 202)**

WHEREAS, Following the 1956 LCMS convention, the Synod's Board of Directors appointed a special committee to engage in preliminary planning for a foundation to serve the needs of the congregations and organizations of the Synod; and

WHEREAS, Based upon the committee's recommendation, the Synod's Board of Directors established The Lutheran Church—Missouri Synod Foundation in December 1958, which action was ratified by the 1959 LCMS convention; and

WHEREAS, The LCMS Foundation will observe its 50th anniversary in 2008; and

WHEREAS, Throughout its history the LCMS Foundation has served congregations, organizations, and individuals with stewardship training, direct and planned gifts for ministry and family, and the administration of endowed gifts and custodial funds; and

WHEREAS, The LCMS Foundation has processed over \$1 billion in direct and planned gifts since its inception in 1958; and

WHEREAS, The LCMS Foundation continues to serve the church under its mission of *Linking Christians with Giving Opportunities*® and its vision of *Every Christian with a Lifetime Plan for Giving*; therefore be it

*Resolved*, That the 2007 LCMS convention acknowledge the 50th anniversary of the LCMS Foundation and give thanks to God for its work; and be it further

*Resolved*, That the Synod encourage congregations and organizations to engage the LCMS Foundation through its local representatives for assistance in the cultivation and stewardship of direct, planned, and endowed gifts to support family and ministry *today, tomorrow, and forever*.

**Action:** Adopted (2)

(After its introduction by the committee, the resolution was adopted without further discussion [Yes: 1,027; No: 41].)

## To Hold 2010 Convention in Houston, Texas

### RESOLUTION 4-16

WHEREAS, The president of the Texas District has submitted an invitation to hold the 2010 convention of the Synod in Houston, Texas, and documentation has been provided by the Synod's Director of Travel and Meeting Planning to support this invitation; and

WHEREAS, Major cost-saving considerations include (1) complimentary convention center rental and (2) complimentary transportation from the one hotel located 10 blocks from the convention center (Hyatt) while the other hotel (Hilton) is attached to the convention center; and

WHEREAS, Other factors supporting acceptance of the invitation include the following:

- The volunteer staff from the Houston area have graciously supported the 2007 convention.
- Houston hotel room rates are less expensive than St. Louis by a minimum of \$25 per room per night.
- Houston is served by two major airports, hubs for Southwest and Continental Airlines.
- Houston Convention and Visitors Bureau and the George R. Brown Convention Center are eager for the LCMS convention to return;

therefore be it

*Resolved*, That in response to the invitation received from the president of the Texas District, and upon consideration of site information received from the Synod's Director of Travel and Meeting Planning, and with the recommendation of the Synod's Board of Directors, the 2010 convention of The Lutheran Church—Missouri Synod will be held in Houston, Texas.

**Action:** Adopted (10)

(When introducing the resolution, the committee also introduced a number of changes to the resolve, inserting "and with the recommendation of" after "Meeting Planning"; inserting "Synod's" before "Board of Directors"; deleting "recommends to the 2007 convention that," and inserting "will" in the final line before the words "be held in Houston Texas." The resolution was adopted as changed by the committee [Yes: 805; No: 118].)