

PUBLISHING HOUSE OF THE  
EV ANGELICAL LUTHERAN CHURCH IN AMERICA

**Articles of Amendment of Articles of Incorporation**

The undersigned, being the President of Publishing House of the Evangelical Lutheran Church in America, a Minnesota nonprofit corporation subject to the provisions of Minnesota Statutes, Chapter 317A, does hereby certify that the Restated Articles of Incorporation attached hereto have been duly adopted under and in accordance with the provisions of Minnesota Statutes, Chapter 317A, and the Articles of Incorporation and Bylaws of Publishing House of the Evangelical Lutheran Church in America, and shall replace and supersede in their entirety the current Articles of Incorporation of Publishing House of the Evangelical Lutheran Church in America.

Dated: \_\_\_\_\_, ~~2016~~2016

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Beth A. Lewis  
President and CEO

RESTATED  
ARTICLES OF INCORPORATION  
OF  
PUBLISHING HOUSE OF THE  
EVANGELICAL LUTHERAN CHURCH IN AMERICA

ARTICLE I

The name of this corporation shall be:

PUBLISHING HOUSE OF THE  
EVANGELICAL LUTHERAN CHURCH IN AMERICA

ARTICLE II

This corporation is organized and shall be operated exclusively for religious purposes and exclusively for the benefit of and to assist in carrying out the purposes of the Evangelical Lutheran Church in America (the "ELCA"), a Minnesota nonprofit corporation. In furtherance of these purposes this corporation shall be responsible for the publishing, production and distribution of publications to be sold to accomplish the mission of the ELCA and perform such other functions for the benefit of the ELCA as may be specified from time to time by the Church Council or the Churchwide Assembly of the ELCA.

Within the framework and limitations of these purposes, this corporation is organized and shall be operated exclusively for religious purposes and shall have such powers as are consistent with the foregoing purposes, including the power to acquire and receive funds and property of every kind and nature whatsoever, whether by purchase, conveyance, lease, gift, grant, bequest, legacy, devise, or otherwise, and to own, hold, expend, make gifts, grants, and contributions of, and to convey, transfer, and dispose of any funds and property and the income therefrom for the furtherance of the purposes of this corporation hereinabove set forth, or any of them, and to lease, mortgage, encumber, and use the same, and such other powers which are consistent with the foregoing purposes and which are afforded to this corporation by the Minnesota Nonprofit Corporation Act, and by any future laws amendatory thereof and supplementary thereto. Notwithstanding any provision of these Articles of Incorporation apparently to the contrary, however, all the powers of this corporation shall be exercised only so that this corporation's operations shall be exclusively within the contemplation of Section 501(c)(3) of the Internal Revenue Code. All references in these Articles of Incorporation to sections of the Internal Revenue Code are to the Internal Revenue Code of 1986 and include any provisions thereof adopted by future amendments thereto and any cognate provisions in future Internal Revenue Codes to the extent such provisions are applicable to this corporation.

In the performance of its functions, this corporation shall not act as the agent of, or otherwise obligate the income or assets of the ELCA, any congregation of the ELCA or any synod of the ELCA without the express authorization of such entity.

### ARTICLE III

This corporation shall not afford pecuniary gain, incidentally or otherwise, to its members, if any, and no part of the net income or net earnings of this corporation shall inure to the benefit of any member, private shareholder, or individual, and no substantial part of its activities shall consist of carrying on propaganda, or otherwise attempting to influence legislation. This corporation shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

This corporation shall not lend any of its assets to any officer or trustee of this corporation or guarantee to any other person the payment of a loan made to an officer, trustee or member of this corporation.

### ARTICLE IV

The period of duration of corporate existence of this corporation shall be perpetual.

### ARTICLE V

The registered office of this corporation shall be located at ~~100 South Fifth Street~~510 Marquette Avenue, Minneapolis, MN 55402.

### ARTICLE VI

The management and direction of the business of this corporation shall be vested in a board of directors which shall be known and designated as the Board of Trustees. The number, terms of office, method of election, powers, authorities and duties of the members of the Board of Trustees, the time and place of their meetings, and such other regulations with respect to them as are not inconsistent with the express provisions of these Articles of Incorporation shall be as specified from time to time in the Bylaws of this corporation. Any action required or permitted to be taken at a meeting of the Board of Trustees may be taken by written action signed by the number of trustees that would be required to take the same action at a meeting of the Board of Trustees at which all trustees were present. Any action required or permitted to be taken at a meeting of a committee may be taken by written action signed by the number of committee members that would be required to take the same action at a meeting of the committee at which all committee members were present. All trustees or committee members, as the case may be, shall be notified immediately of the text and effective date of any such written action that is duly taken.

### ARTICLE VII

Except as otherwise provided in this corporation's Bylaws, this corporation shall have no members with voting rights.

## ARTICLE VIII

Members, if any, and trustees and officers of this corporation shall not be personally liable for the payment of any debts or obligations of this corporation of any nature whatsoever, nor shall any of the property of members, trustees, or officers be subject to the payments of the debts or obligations of this corporation to any extent whatsoever.

## ARTICLE IX

This corporation shall have no capital stock.

## ARTICLE X

In the event of the dissolution of this corporation any surplus property remaining after the payment of its debts shall be disposed of by transfer to the ELCA to be used for one or more of the purposes of this corporation. Notwithstanding any provision herein to the contrary, nothing herein shall be construed to affect the disposition of property and assets held by this corporation upon trust or other condition, or subject to any executory or special limitation, and such property, upon dissolution of this corporation, shall be transferred in accordance with the trust, condition or limitation imposed with respect to it.

## ARTICLE XI

Except as may be otherwise provided in this corporation's Bylaws, none of the following actions shall be taken by this corporation without the prior approval of the Church Council or the Churchwide Assembly of the ELCA: amendment of Articles of Incorporation; amendment of Bylaws; merger or consolidation with any domestic or foreign corporation; sale, lease, encumbrance or other disposition of all or substantially all of this corporation's property; and voluntary dissolution. This corporation shall adopt any amendment to these Articles of Incorporation or this corporation's Bylaws that may be prescribed by the Church Council or the Churchwide Assembly of the ELCA, provided that in the case of an amendment prescribed by the Church Council, it shall be prescribed only after consultation with this corporation, and procedures to effect any such prescribed amendment shall be instituted promptly after adoption of such prescribed amendment by the Church Council or the Churchwide Assembly of the ELCA. This corporation shall adopt any agreement of merger or consolidation that may be prescribed by the Churchwide Assembly of the ELCA, and procedures to affect any such prescribed agreement shall be instituted promptly after adoption of such prescribed agreement by the Churchwide Assembly of the ELCA. For purposes of asserting claims based on the powers and authorities granted to it pursuant to this Article, and for such purposes only, the ELCA shall be deemed to be a member of this corporation.



As amended effective November 4, 2016

BYLAWS  
OF  
PUBLISHING HOUSE OF THE  
EVANGELICAL LUTHERAN CHURCH IN AMERICA

ARTICLE 1

Purpose

This corporation is established in accordance with the Constitution, Bylaws and Continuing Resolutions of the Evangelical Lutheran Church in America (the “ELCA”) to carry out the purposes and perform the functions specified in this corporation's Articles of Incorporation. This corporation shall be governed by its Articles of Incorporation and these Bylaws and the provisions of the Constitution, Bylaws and Continuing Resolutions of the ELCA that are expressly made applicable to this corporation.

ARTICLE 2

Location

The principal office of this corporation, at which the general business of this corporation shall be transacted and where the records of this corporation shall be kept, shall be at such place in the State of Minnesota as shall be fixed from time to time by duly adopted resolutions of the Board of Trustees.

ARTICLE 3

Board of Trustees

The Board of Trustees of this corporation shall be composed of persons who shall be elected in the manner and for the terms specified by the Constitution, Bylaws and Continuing Resolutions of the ELCA.

ARTICLE 4

Meetings of the Board of Trustees

SECTION 4.1 Annual meeting. The annual meeting of the Board of Trustees shall be held each year at the time and place, within or without the State of Minnesota, as may be designated from time to time by the Board of Trustees. If the Board of Trustees does not

fix a different time or place, such meeting shall be held at 9:00 o'clock a.m., Central time, on the second Monday in September at the registered office of this corporation.

SECTION 4.2 Other meetings. Other meetings of the Board of Trustees may be held at such time and place as are announced at a previous meeting of the Board of Trustees. Meetings of the Board of Trustees may also be called at any time (a) by the Chairperson, (b) by the Executive Director, (c) by the Board of Trustees, or (d) upon the request of five or more members of the Board of Trustees. Anyone entitled to call a meeting of the Board of Trustees may make a written request to the Secretary to call the meeting, and the Secretary shall give notice of the meeting, setting forth the time and place thereof, to be held between five and thirty days after receiving the request. If the Secretary fails to give notice of the meeting within seven days from the day on which the request was made, the person or persons who requested the meeting may fix the time and place of the meeting and give notice in the manner hereinafter provided.

SECTION 4.3 Notice of meetings. Notice of each meeting of the Board of Trustees for which notice is required, and of each annual meeting, stating the time and place thereof, shall be given to all trustees by electronic communication or in person at least two days before the meeting, or shall be mailed to each trustee at least five days before the meeting. A trustee may be given notice by electronic communication only if the trustee has previously consented to receive notice in such form of electronic communication. All such notices not given in person shall be sent to the trustee at his or her postal or electronic address according to the latest available records of this corporation. Any trustee may waive notice of a meeting before, at or after the meeting, orally, in writing, by electronic communication, or by attendance. Attendance at a meeting is deemed a waiver unless the trustee objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened and the trustee does not participate in the meeting.

SECTION 4.4 Quorum and voting. At all meetings of the Board of Trustees, each trustee shall be entitled to cast one vote on any question coming before the meeting. The presence of a majority of the members of the Board of Trustees shall constitute a quorum at any meeting thereof, but the trustees present at any meeting, although less than a quorum, may adjourn the meeting from time to time. A majority vote of the trustees present at any meeting, if there be a quorum, shall be sufficient to transact any business. A trustee shall not appoint a proxy for himself or vote by proxy at a meeting of the Board of Trustees. For purposes of determining whether a trustee has met his or her fiduciary duties as a trustee, but for no other purpose, a trustee who is present at a meeting of the Board of Trustees when an action is approved by the Board of Trustees is presumed to have assented to the action unless the trustee votes against the action or is prohibited from voting on the action.

SECTION 4.5 Adjourned meetings. When a meeting of the Board of Trustees is adjourned to another time or place, notice of the adjourned meeting need not be given other than by announcement at the meeting at which adjournment is taken.

SECTION 4.6 Written action. Any action that could be taken at a meeting of the Board of Trustees may be taken without a meeting when authorized in writing signed by all of the trustees. Any such action may also be taken by written action signed by fewer than all of the trustees in accordance with the provisions of the Articles of Incorporation.

SECTION 4.7 Meetings held using remote communication. A trustee may participate in a meeting of the Board of Trustees by means of conference telephone or, if authorized by the Board of Trustees, by such other means of remote communication, in each case through which that trustee, other trustees so participating, and all trustees physically present at the meeting may communicate with each other on a substantially simultaneous basis. Participation in a meeting by remote communication constitutes presence at the meeting.

## ARTICLE 5

### Officers

SECTION 5.1 Tenure of office. The officers of this corporation shall be a Chairperson, a Vice Chairperson, an Executive Director, one or more Vice Presidents, a Secretary, a Treasurer and such other officers as the Board of Trustees may from time to time designate. The Executive Director shall be elected to a four-year term in consultation with and with the approval of the Bishop of the ELCA and shall be eligible for re-election. Officers, other than the Executive Director and the Vice Presidents, shall be elected by the Board of Trustees to serve for terms of ~~two~~-three years and until their respective successors are chosen and have qualified. Any officer may at any time be removed by the Board of Trustees with or without cause; provided, however, that the Executive Director may be removed only in consultation with and upon the approval of the Bishop of the ELCA. The same person may hold more than one office at the same time, except the offices of (a) Chairperson and Vice Chairperson, and (b) Executive Director and Vice President. The Chairperson, Vice Chairperson and Secretary shall be members of the Board of Trustees, but other officers need not be trustees of this corporation.

SECTION 5.2 Chairperson. The Chairperson of this corporation shall preside at all meetings of the Board of Trustees and the Executive Committee, if one is appointed. The Chairperson shall supervise the carrying out of the policies adopted or approved by the Board of Trustees. The Chairperson shall also have and may exercise such further powers and duties as from time to time may be conferred upon, or assigned to, him or her by these Bylaws or by the Board of Trustees.

SECTION 5.3 Vice Chairperson. During the absence or disability of the Chairperson, the Vice Chairperson shall perform the duties of the Chairperson.

SECTION 5.4 Executive Director. The Executive Director shall be the president and chief executive officer of this corporation. He or she shall have general supervision, direction and active management of the affairs of this corporation. He or she may execute on behalf of this corporation any contracts, deeds, conveyances and other instruments

in writing which may be required or authorized by the Board of Trustees for the proper and necessary transaction of the business of the corporation.

SECTION 5.6 Vice Presidents. The authority of the Board of Trustees to appoint one or more Vice Presidents is delegated to the Executive Director. The Executive Director may appoint one or more Vice Presidents and may designate any of them as Executive Vice Presidents or Senior Vice Presidents. Unless otherwise directed by the Board of Trustees, the Executive Director may remove any Vice President from office.

SECTION 5.7 Secretary. The Secretary shall perform or properly delegate and oversee the performance of the following duties: (a) keep accurate minutes of all meetings and serve as custodian of records, documents and papers of this corporation; and (b) provide for the keeping of proper records of all transactions of this corporation. He or she shall have and may exercise any and all other powers and duties pertaining by law, regulation or practice to the office of Secretary, or imposed by these Bylaws. He or she shall also perform such other duties as may be assigned to him or her from time to time by the Board of Trustees.

SECTION 5.8 Assistant Secretary. The Board of Trustees in its discretion may elect an Assistant Secretary, who shall perform the duties and assume the responsibilities of the Secretary as above set forth under the general direction of the Secretary or Executive Director.

SECTION 5.9 Treasurer. The Treasurer shall have and may exercise such duties as may be assigned to him or her from time to time by the Board of Trustees. He or she shall present to the Board of Trustees at its annual meeting his or her report as Treasurer of this corporation, and shall from time to time make such other reports to the Board of Trustees as it may require.

SECTION 5.10 Assistant Treasurer. The Board of Trustees in its discretion may elect an Assistant Treasurer who shall perform the duties and assume the responsibilities of the Treasurer as above set forth under the general direction of the Treasurer or Executive Director.

SECTION 5.11 Additional powers. Any officer of this corporation, in addition to the powers conferred upon him or her by these Bylaws, shall have such powers and perform such additional duties as may be prescribed from time to time by the Board of Trustees.

## ARTICLE 6 Committees

SECTION 6.1 Authority. The Board of Trustees may act by and through such committees as may be specified in resolutions adopted by the affirmative vote of a majority of the entire Board of Trustees. Each such committee shall have such duties and responsibilities as are granted to it from time to time by the Board of Trustees. Each such committee shall at all times be subject to the control and direction of the Board of Trustees.

SECTION 6.2 Executive Committee. The Board of Trustees may designate an Executive Committee composed of the Chairperson, the Vice Chairperson and at least one other trustee designated by the Board of Trustees. The Executive Committee shall have the authority of the Board of Trustees in the management of the business of this corporation in the interval between meetings of the Board of Trustees, and the Executive Committee shall at all times be subject to the control and direction of the Board of Trustees.

SECTION 6.3 Meetings and voting. Each committee of this corporation may establish the time for its regular meetings and may change that time as it from time to time deems advisable. Special meetings of any committee of this corporation may be called by the chairman of that committee, or by the Executive Director. Notice of each committee meeting for which notice is required, stating the time and place thereof, shall be given to all committee members by electronic communication or in person at least two days before the meeting, or shall be mailed to each trustee at least five days before the meeting. A committee member may be given notice by electronic communication only if the committee member has previously consented to receive notice in such form of electronic communication. All such notices not given in person shall be sent to the committee member at his or her postal or electronic address according to the latest available records of this corporation. At all meetings of a committee of this corporation each member thereof shall be entitled to cast one vote on any question coming before such meeting. The presence of a majority of the membership of any committee of this corporation shall constitute a quorum at any meeting thereof, but the members of a committee present at any such meeting, although less than a quorum, may adjourn the meeting from time to time. A majority vote of the members of a committee of this corporation present at any meeting thereof, if there be a quorum, shall be sufficient for the transaction of the business of such committee. Any action that could be taken at a meeting of a committee may be taken without a meeting when authorized in writing in accordance with the provisions of the Articles of Incorporation.

SECTION 6.4 Meetings held using remote communication. A committee member may participate in a committee meeting by means of conference telephone or, if authorized by the Board of Trustees, by such other means of remote communication, in each case through which that committee member, other committee members so participating, and all committee members physically present at the meeting may communicate with each other on a substantially simultaneous basis. Participation in a meeting by remote communication constitutes presence at the meeting.

## ARTICLE 7

### Fiscal Year

The fiscal year of this corporation shall be January 1 to the last day of December.

## ARTICLE 8

### Miscellaneous

SECTION 8.1 Corporate seal. This corporation shall have no seal.

SECTION 8.2 Amendments. Subject to the provisions of the Constitution, Bylaws and Continuing Resolutions of the ELCA, and the Articles of Incorporation of this corporation, these Bylaws may be amended from time to time in the manner prescribed by law.

SECTION 8.3 Indemnification. To the full extent permitted by any applicable law, this corporation shall indemnify each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, wherever brought, whether civil, criminal, administrative or investigative, including an action by or in the right of the corporation, by reason of the fact that such person is or was a trustee, officer, employee, agent or member of a committee of this corporation or, while a trustee, officer, employee or agent of this corporation, was serving as a director, officer, partner, trustee, employee, or agent of another organization or employee benefit plan at the request of this corporation or pursuant to his or her duties as a trustee, officer, employee or agent of this corporation, against expenses, including attorneys' fees, judgments, penalties, fines (including, without limitation, excise taxes assessed against the person with respect to an employee benefit plan) and amounts paid in settlement or pursuant to arbitration actually and reasonably incurred by such person in connection with such action, suit or proceeding; provided, however, that no indemnification shall be made with respect to any claim, issue or matter as to which the person shall be adjudged by a court of law to be liable to this corporation.

Indemnification provided by this section shall continue as to a person who has ceased to be a trustee, officer, employee, agent or committee member, shall inure to the benefit of the heirs, executors and administrators of such person and shall apply whether or not the claim against such person arises out of matters occurring before the adoption of this section. Any indemnification realized other than under this section shall apply as a credit against any indemnification provided by this section.

This corporation may, to the full extent permitted by applicable law from time to time in effect, purchase and maintain insurance on behalf of any person who is or was trustee, officer, employee, agent or a member of a committee of this corporation against any liability asserted against such person and incurred by such person in any such capacity.

SECTION 8.4 Execution of Instruments. Deeds, mortgages, bonds, checks, contracts and other instruments pertaining to the business and affairs of this corporation may be signed on behalf of this corporation by the Executive Director, or the Chairperson, or by such other person or persons as may be designated from time to time by the Board of Trustees. If a document must be executed by persons holding different offices or functions and one person holds such offices or exercises such functions, that person may execute the document in more than one capacity if the document indicates each such capacity.

SECTION 8.5 Authority to borrow, encumber assets. No officer, agent or employee of this corporation shall have any power or authority to borrow money on its behalf,

to pledge its credit or to mortgage or pledge its real or personal property except within the scope and to the extent of the authority delegated by resolutions adopted from time to time by the Board of Trustees. Authority may be given by the Board of Trustees for any of the above purposes and may be general or limited to specific instances.

SECTION 8.6 Deposit of funds. All funds of this corporation shall be deposited from time to time to the credit of this corporation in such banks, trust companies or other depositories as the Board of Trustees may approve or designate, and all such funds shall be withdrawn only in the manner or manners authorized by the Board of Trustees from time to time.

SECTION 8.7 Use of names in conduct of business. This corporation may conduct its business under such tradename or names as may be specified from time to time by the Board of Trustees. Without limiting the generality of the foregoing, this corporation may use the names “Augsburg Publishing House,” “Fortress Press,” ~~and~~ “Augsburg-Fortress,” “1517 Media,” “Sparkhouse,” and “Sparkhouse Family.”

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Date approved by Board of Trustees: ~~January 25, 2006~~ November 4, 2016

Date approved by ELCA Church Council: ~~April 2, 2006~~ November \_\_\_\_\_, 2016

# Summary of the 2016 ELCA Churchwide Assembly Evaluation

Research and Evaluation, Office of the Presiding Bishop  
Fall 2016

The Texas-Louisiana Gulf Coast Synod of the Evangelical Lutheran Church in American hosted the 2016 ELCA Churchwide Assembly in New Orleans Louisiana, from August 8<sup>th</sup> to 13<sup>th</sup>. Most events took place at the Ernest N. Morial Convention Center. An evaluation of the weeklong event was made available via an on-line form. In total, 240 responses were collected. A summary of those responses follows.

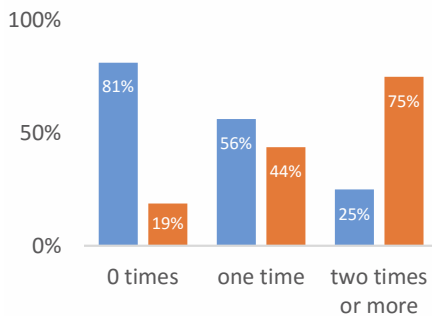
## Assembly Materials and Preparation

Respondents were asked if the pre-assembly materials were made available early enough for adequate review: 77 percent said the materials arrived in plenty of time and 18 percent said earlier would have been better. Of those saying they didn't have enough time, four percent wanted to receive the Memorials Committee report earlier.

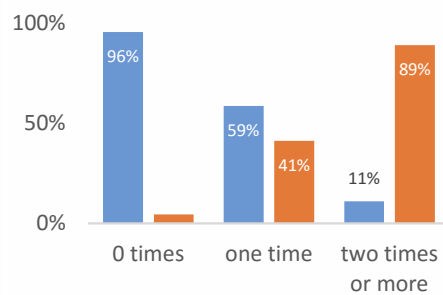
About two in three respondents said the amount of materials received was reasonable, while 30 percent felt overwhelmed. The majority of respondents reported they were able to review "all of it" (9%) or "most of it" (53%).

As one might expect, the more frequently a respondent reported reviewing the orientation video, parliamentary procedure video, or Guidebook webinar training, the more helpful they found the materials:

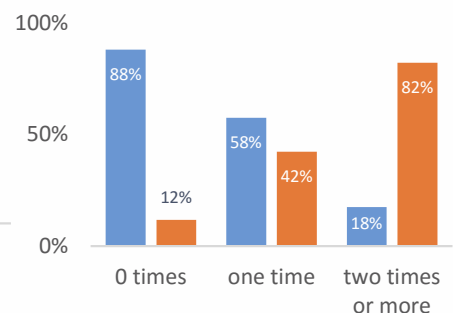
Most respondents watching the **orientation video** at least twice found it **very helpful**.



Most respondents watching the **parliamentary procedure video** at least twice found it **very helpful**.



The more respondents watched **Guidebook webinar**, the more likely they were to consider it **very helpful**.

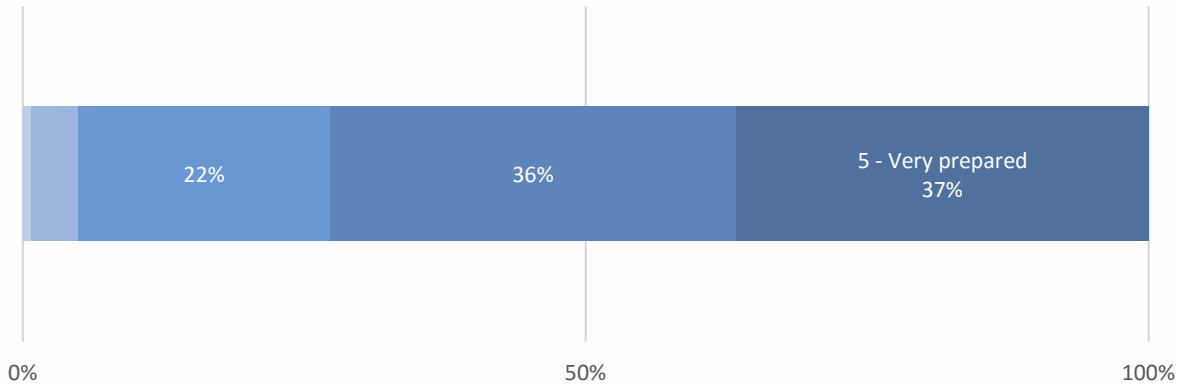


The majority of respondents (53%) found the pre-assembly email communication "very helpful". Moreover, while 81 percent thought the "right amount was sent", 18 percent felt more communication, especially around logistical issues like room assignments and roommates, updates to Guidebook, and a clearer list of topics to be discussed was preferable.

Most respondents (62%) reported meeting with other voting members from their synod at least once; a plurality of respondents (44%) reported they would have liked to meet with other voting members from their synod once. When asked what information from the synod would be most helpful during the meetings, some said an expectation of what to expect over the course of the week including lodging and travel; more information about the memorials; and some more guidance around specific expectations and duties. Many said what was covered during the meetings was sufficient.

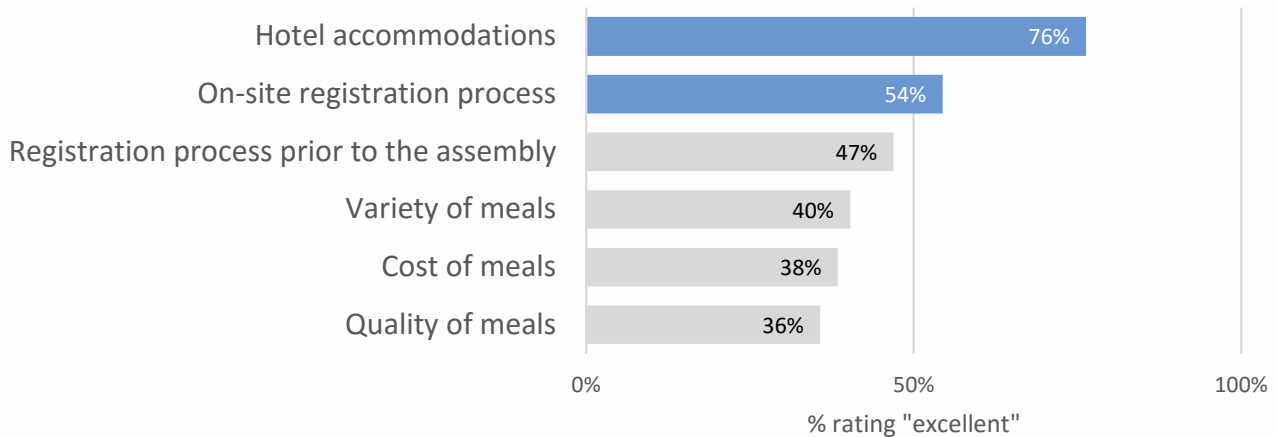


Three quarters of the respondents rated their **preparedness to fulfill their role on the first day** of the Assembly a "4" or "5" (5 - very prepared).



### Registration and Accommodations

A majority of respondents found the **hotel accommodations** and **on-site registration** to be **excellent**.

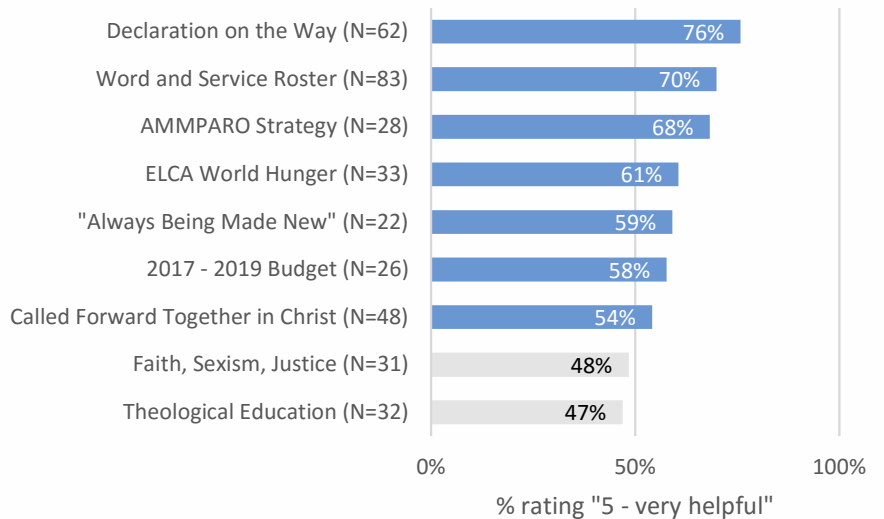


### Hearings

Tuesday August 9<sup>th</sup> provided Assembly attendees opportunities to attend two hearings from a possible ten. While most respondents indicated they did not attend any of the hearings, those whom did frequently rated the helpfulness of the hearing in clarifying issues as "very helpful". ("5" meant the discussion was "very helpful" in clarifying the issues).

Ideas for future topics included:

Whatever issues are considered in plenary should be addressed; memorials topics; YAGM topics; and Leadership in the ELCA.



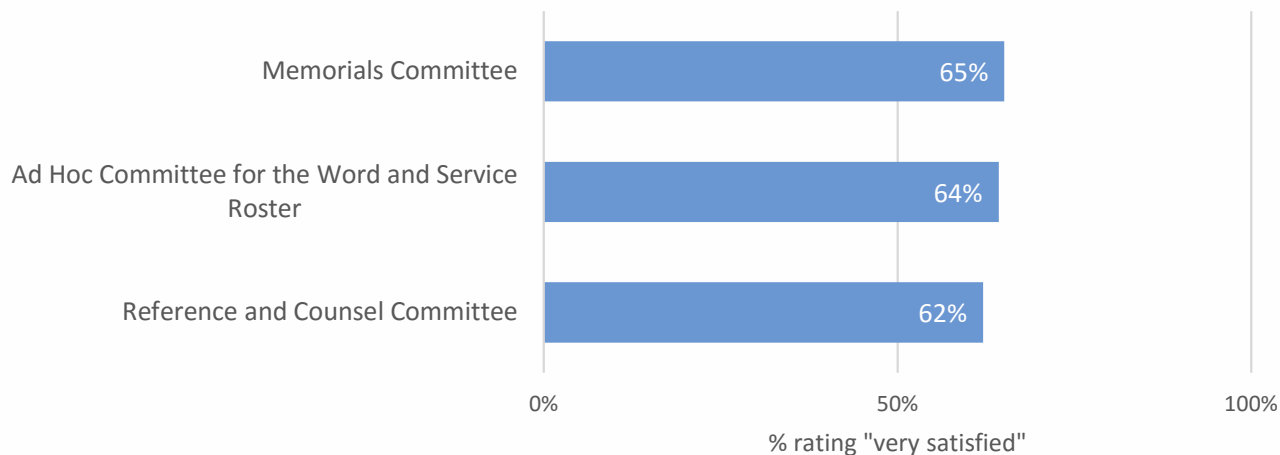
## Discussion and Debate

At least 90 percent of respondents indicated they were adequately informed about a) the procedures for debate and b) the subject of each vote. Of those saying they were not adequately informed, some found the amendments to amendments confusing, as well as Roberts' Rules of Order. Others weren't sure of the ramifications of their votes on issues such as divestment or AMPARRO.

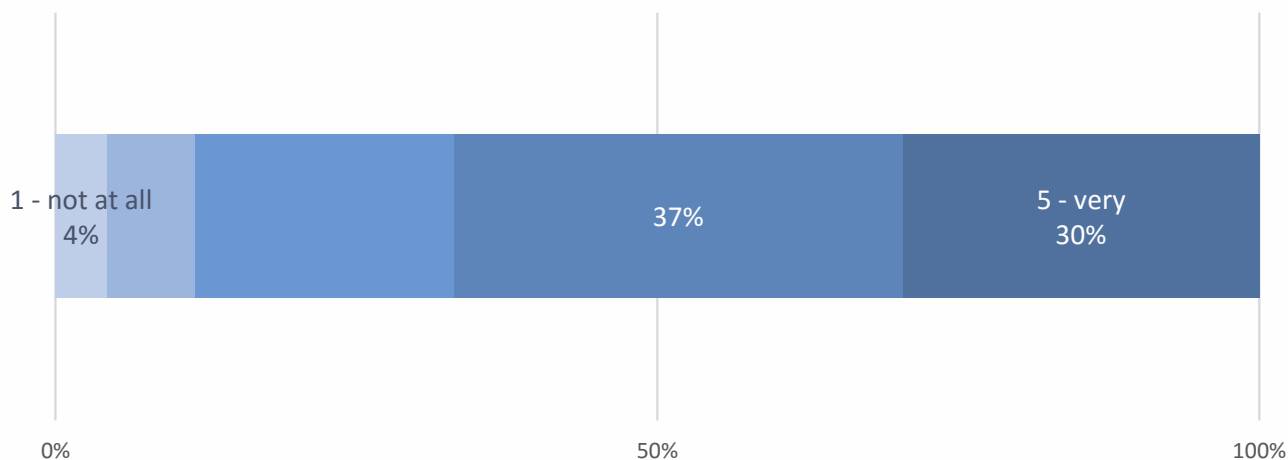
Relatively few respondents (15%) indicated they addressed the assembly via a microphone.

More than 80 percent of respondents gave a rating of "4" or "5" on a five-point scale about debate facilitation ("5" represented "excellent").

A majority of respondents were **very satisfied** with the [Memorials, Ad Hoc](#) and [Reference and Counsel](#) committees' work.

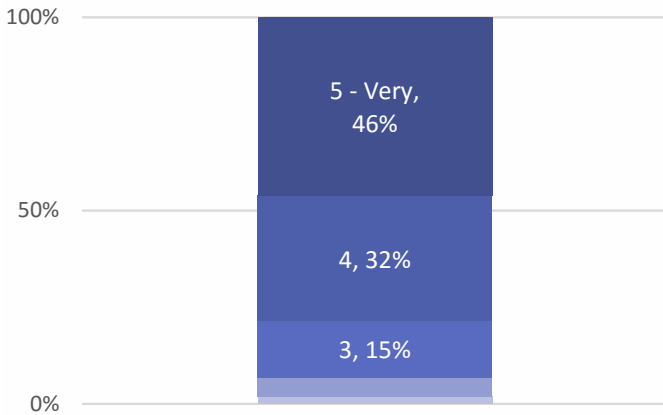


Many found the **Committee of the Whole: Called Forward Together in Christ** to be valuable.

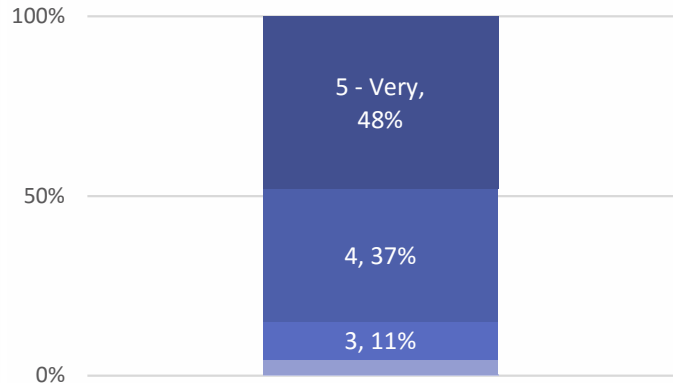


## Nominations and Elections

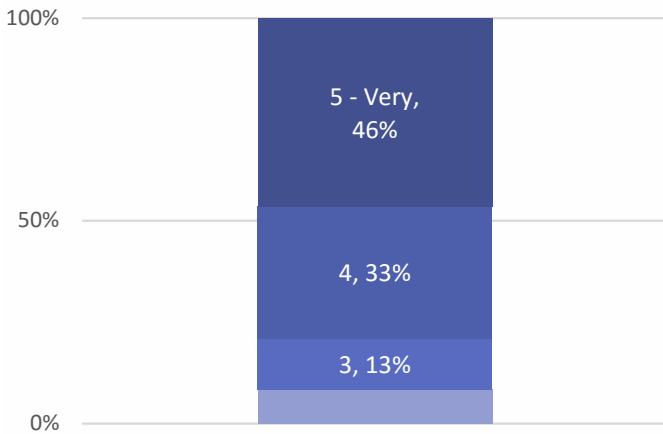
Many respondents thought **instructions for nominating individuals to board, committees and Council** were "very clear".



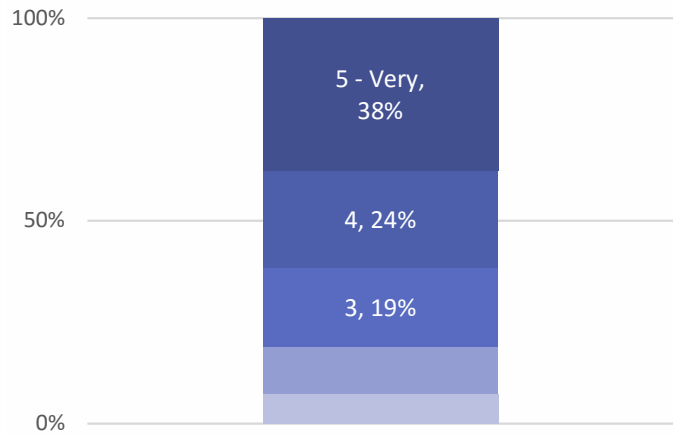
One in two thought **the Nominations Committee report** was "very" effective".



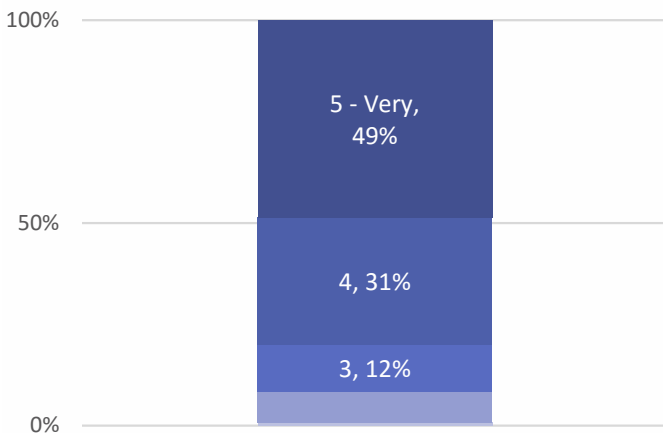
The **process for electing members to boards, committees and Council** was "very satisfying" to many respondents.



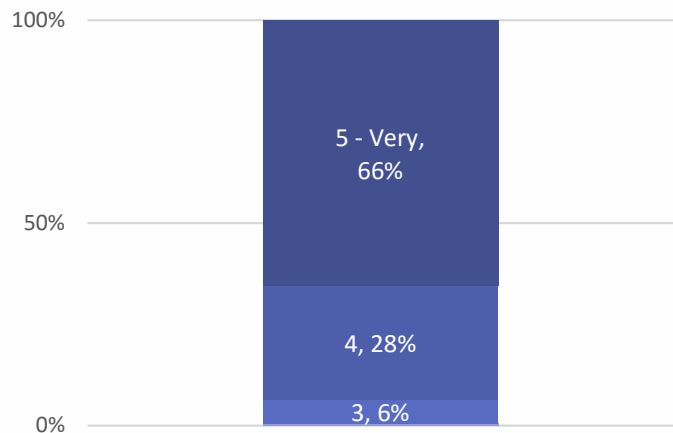
The **identification process for potential VPs** used prior to the assembly was "very effective" according to 40% of respondents.



About half of the respondents were "very satisfied" with **the VP election process** itself.

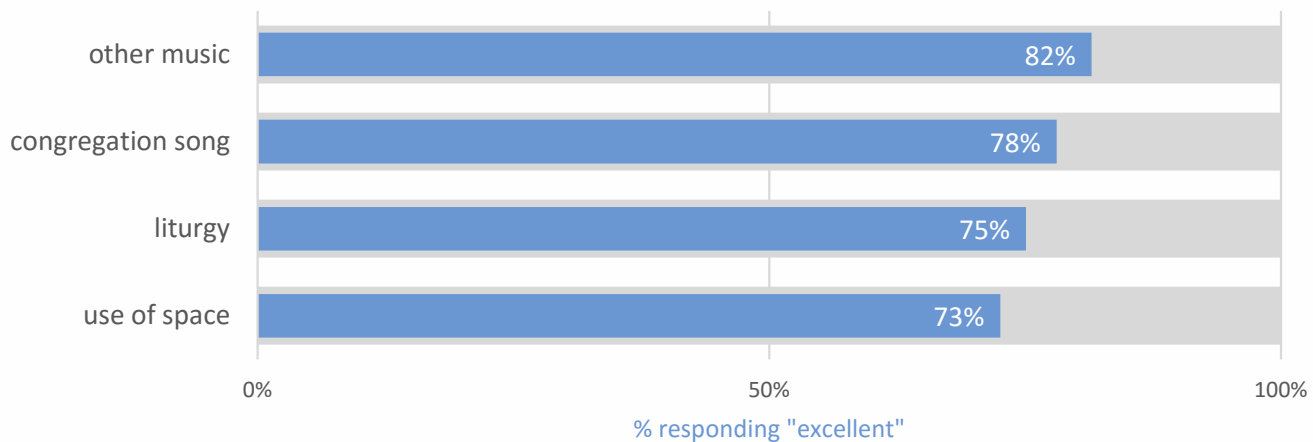


Two in three respondents found the **Vice President Q&A Forum** "very helpful".



## Worship, Prayer, Bible Study and Other Events

The **following aspects of worship** were widely considered “**excellent**” by a large majority.



Most respondents (55%) reported participating in Bible study. Of those participating, when asked about the helpfulness of the format the average rating was 3.2 on five-point scale where 5 represented “very helpful”.

When asked how important it was to have prayer space available, the average rating was a 3.0 on a five-point scale; five represented “very important”.

Daily service was “very important” to 76 percent of respondents.

Slightly more than half (55%) of those singing in the Choir said they were “very satisfied” with their experience.

When asked about the effectiveness of worship leaders, the average rating given was 4.5 on a five-point scale with 5 representing “very effective”.

Nearly nine in ten respondents (86%) reported attending the 500<sup>th</sup> Anniversary Celebration Banquet. Comments about the banquet included “Food was forgettable”, the quality of food was low for the price paid, “outstanding”, and “the banquet was very nice and enjoyable”. Some wanted it to be more formal. Another said it was “lame” and “Churchwide staff was stretched too thin to put much effort into it”.

Half of respondents (50%) reported attending the College, University and Seminary Reception. Some said it was a great way to connect with friends and acquaintances, while some noted the absence of some colleges and seminaries or at least folks to answer questions. (On the other hand, someone said they felt “a little accosted” by seminary representatives.) Someone said it was “a nice break”. Another noted the long lines for the presidents.

One in five respondents attended Beer and Hymns. Comments about it included some wanting to make it a tradition, wishing it were longer, and “Beer and Hymns was absolutely awesome!!!”.

### God’s Grace in Action

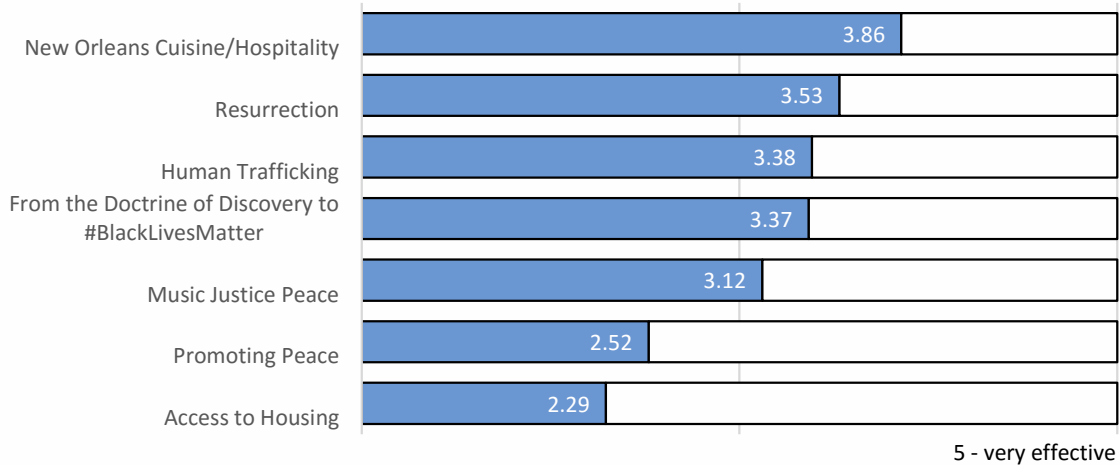
On Thursday, August 11<sup>th</sup>, CWA participants were invited to experience God’s Grace in Action, an experiential learning event exploring the idea “all of life in Jesus Christ – every act of service, in every daily calling, in every corner of life – flows freely from a living, daring confidence in God’s grace.”<sup>1</sup> Nearly 80 percent of respondents reported they attended the event and by extension one of the eleven different tracks offered. A brief look at the effectiveness of the information received prior to the track and the helpfulness of the format used follows, but just for those tracks where the number of respondents was 10 or greater.

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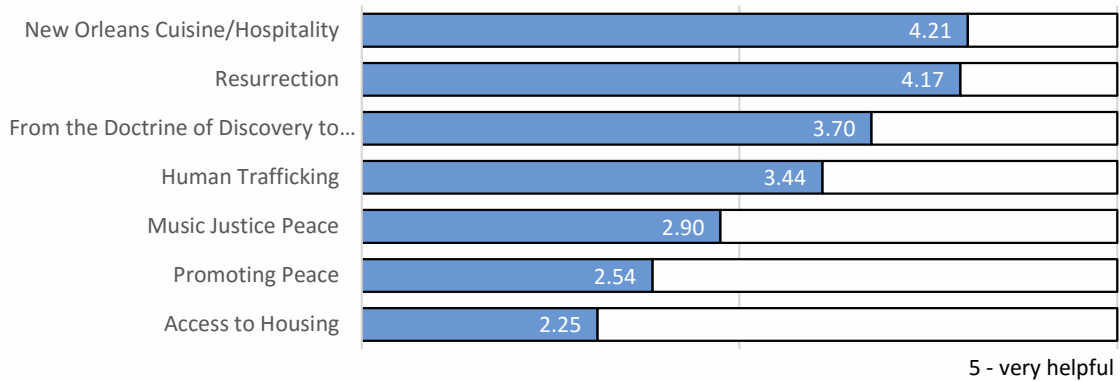
<sup>1</sup> See here for more information -

[http://download.elca.org/ELCA%20Resource%20Repository/Gods\\_Grace\\_in\\_Action\\_Afternoon.pdf](http://download.elca.org/ELCA%20Resource%20Repository/Gods_Grace_in_Action_Afternoon.pdf)

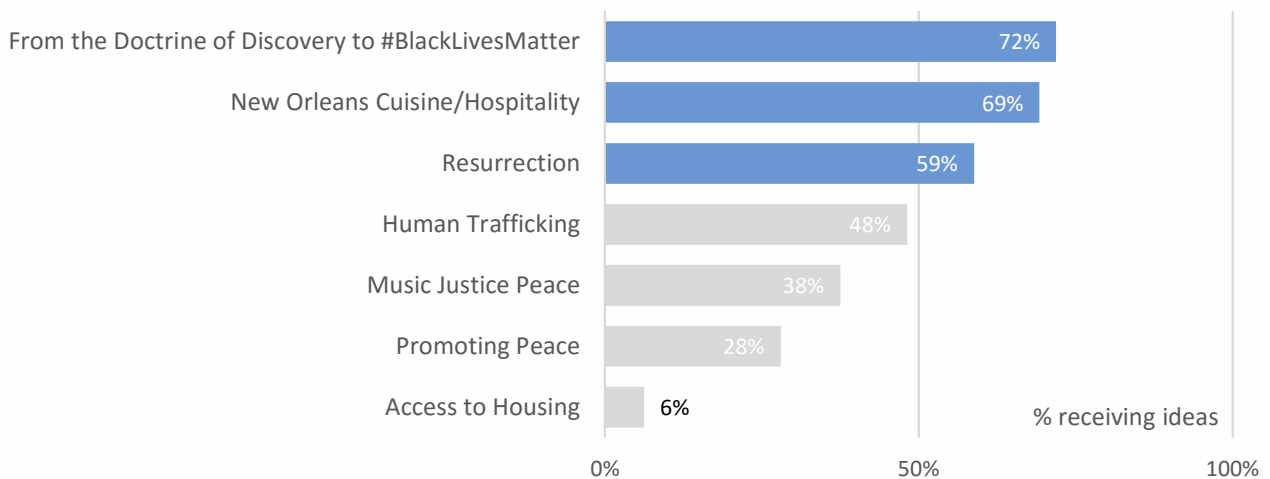
The effectiveness of information received prior varied greatly among tracks.



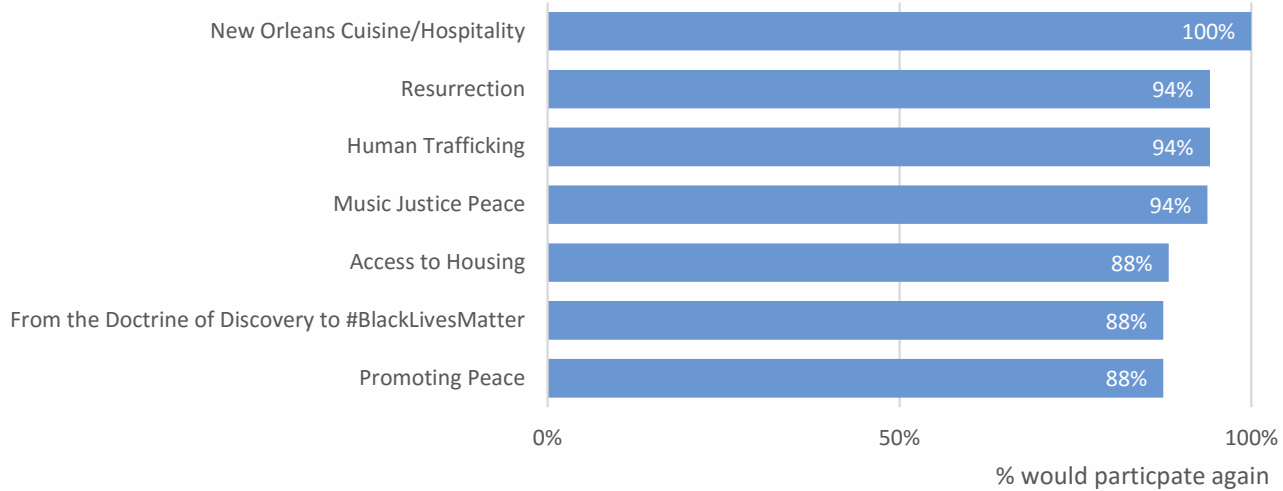
The helpfulness of the formats varied greatly among tracks as well.



Half (or more) of respondents received ideas from the **Doctrine of Discovery, Cuisine, and Resurrection tracks** to use at home.



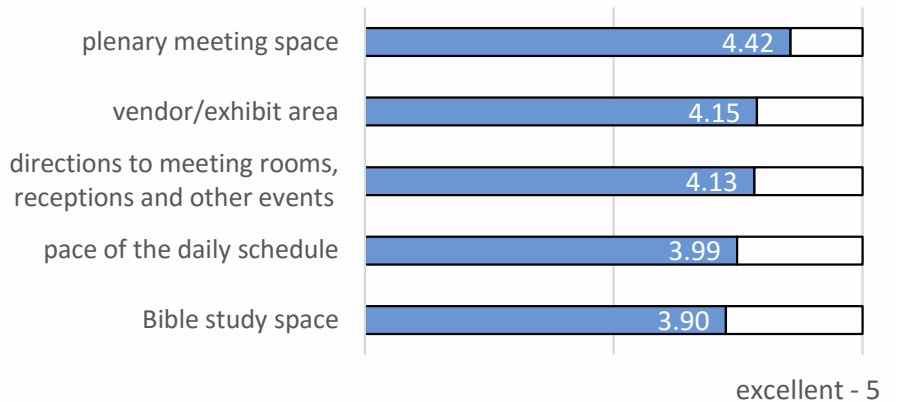
Most everyone responding would participate in **God's Grace in Action** again at future assemblies.



Respondents were also asked to provide comments (as they saw fit) about the learning. The comments by track appear at the end of the report.

### General Schedule and Logistics

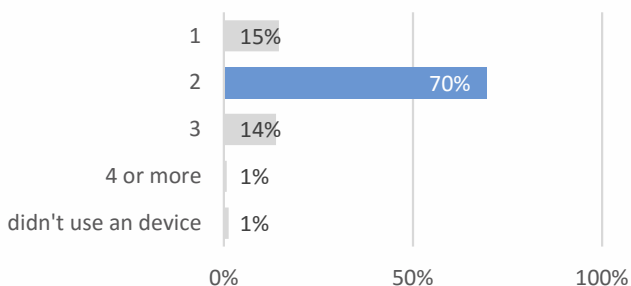
Respondents rated various aspects of the schedule and logistics using a five-point scale where 1 represented “poor” and 5 represented “excellent”. The plenary space had the highest overall score, while the Bible study space had the lowest average rating. Some comments made about the overall schedule and logistics included how cold it was in the plenary hall, the vendor space and how (not) well space was utilized (and how more vendors would be nice), and the distances needing to travel to reach Bible study. Some noted the daily schedule was “somewhat hectic” and others said the first day, as it was a travel day, was too long and busy.



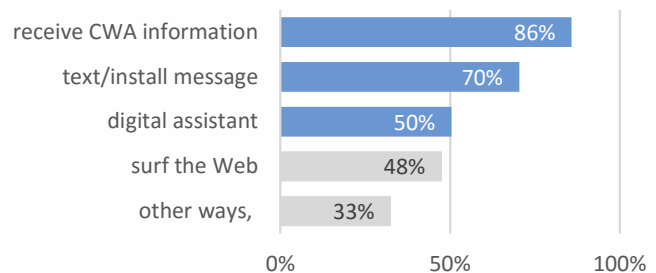
### Technology

More than one third of respondents (37%) brought their own tablet to use at the assembly. Of those, 97 percent found it beneficial to review the pre-assembly report on the device they’d be using during the assembly. Most respondents using a rented iPad (84%) said there was no issue in doing so.

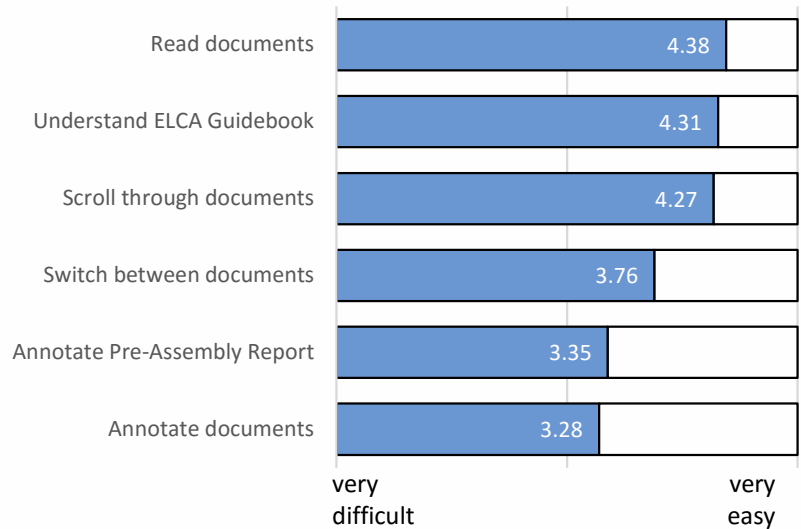
70 percent of respondents used **two wi-fi connected devices** while in the hall.



At **least half** used devices to **receive CWA information, text/instant message** and/or as a **digital assistant**.



While the ease in which respondents were able to do various things with the tablets and Guidebook varied depending on the function (see chart), there was no difference between how respondents using their own device rated items compared with those using an ELCA issued device.

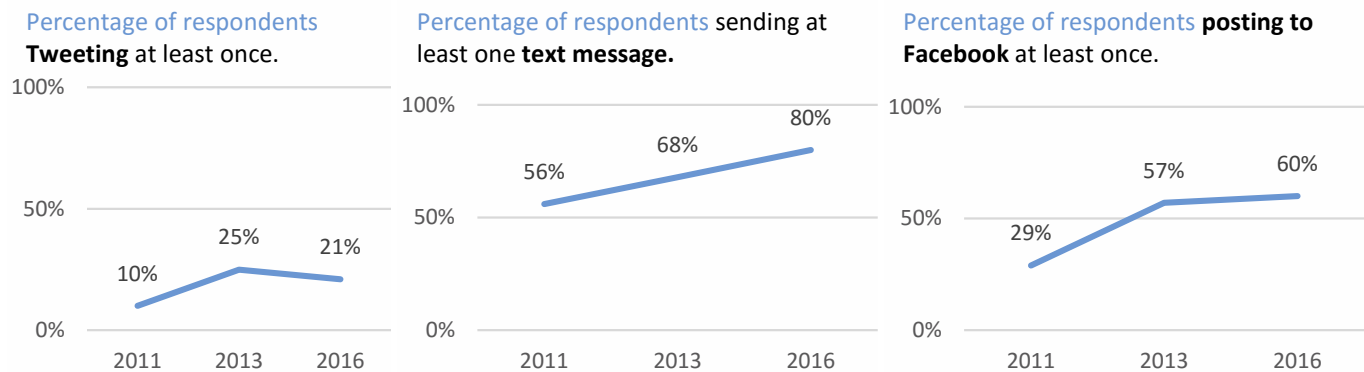


The vast majority of respondents (87%) reported not having an issue with Guidebook. Likewise, 97 percent of respondents reported no difficulty switching between Guidebook and their electronic voting machines.

The webinars were “very effective” in helping provide needed skills to use the technology provided during the Assembly according to 15 percent of respondents. ELCA Guidebook training was “very effective” according to 48 percent of respondents.

More than 90 percent of respondents said the process by which Guidebook received updates during the week was efficient. Nearly all respondents (98 percent) said the size of the tablet they used was acceptable for reading. Of those returning their iPad, 98 percent said the process was quick and efficient.

The use of social media at and related to the Churchwide Assembly has increased since 2009.



Respondents reported using Instagram and Snapchat as well.

Related to the Guidebook, some improvements respondents wanted included the ability to have two documents open simultaneously, the ability to vote (from it presumably) and customized calendars. One suggested notifications when items are published. Others wanted more control over documents, including the ability to copy and paste. Some noted the headings were not descriptive enough so finding particular items (especially after updates) difficult.

Respondents also noted a few ways in which the Pre-Assembly Report in the Guidebook could be improved. One suggested a “navigation path on the assembly display so that in the event the speaker mentions a path to navigate to memorial or other and you were distracted you could look up and see exactly where everybody is”. Others wanted more explanation about how Guidebook is organized; one suggested adding “an address bar indicating which section of the Pre Assembly Report (or any part of the Guidebook) is being referenced - so when a page is projected on the screen in front for discussion we can find it if the spoken location is missed or unclear”. Some wanted tabs, others wanted it out earlier. Color coding the different sections was mentioned as well.

With special attention to technology use in the plenary hall, respondents were asked for recommendations to improve the assembly. One said, “the wifi was not always sufficient, and the failure of the voting machines showed that backup is necessary--the paper ballots worked!”

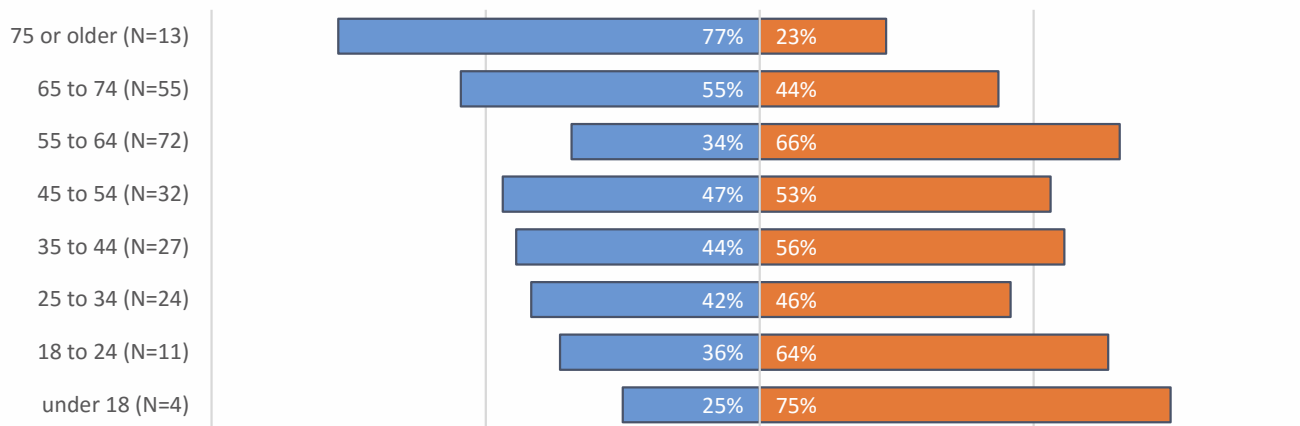
Others noted:

- the technology was very effective and helpful.
- The technology use is great, but maybe many of us who still learning how to navigate documents is the question.
- The technology is sufficient and there just needs to be more training about how to use it. I think the assembly network operated quite well. The voting units worked well also, but it was thought the units were automatically voting when it was due to people not pressing the "x" key to clear the screen to begin the voting process again. How long is the Guidebook going to be posted online for reference? Is there going to be an "official" summary of the assembly's work posted online so it can be used as a model to construct a report to individual congregations?
- The iPads were great!

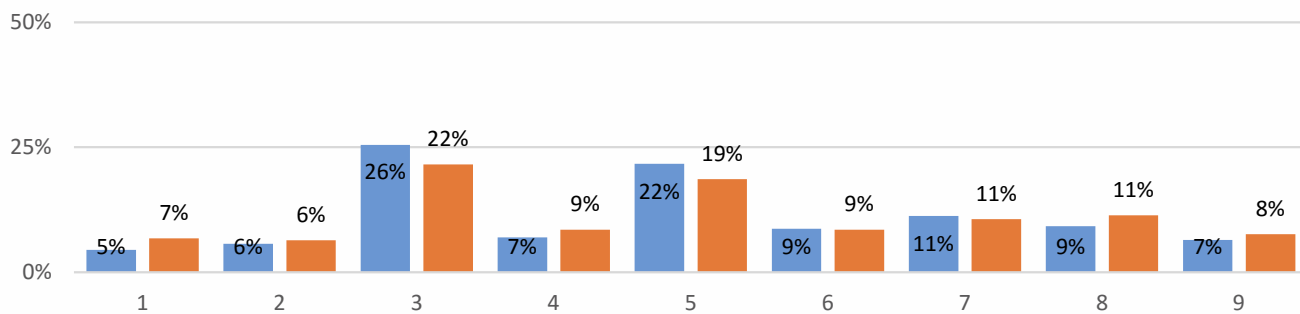
### About You (Respondents)

Most respondents (69%) were first time voting members. Lay members accounted for 57 percent of respondents.

Generally speaking, there were a higher percentage of **females** in each age category.



**Respondents** from **Regions 3 and 5** made up 41 percent of the total respondents; **baptized members** in **Regions 3 and 5** make up 46 percent of ELCA membership.





## Summary

To recap, according to respondents:

- the overall experience was excellent.
- pre-assembly email was useful.
- accommodations and registration were excellent.
- committee work was very satisfying to respondents.
- worship was excellent.
- meeting space was excellent.
- technology and Guidebook were very easy to use.

**2016 - 2017 Synod Mission Support Plans  
With 2015 Actuals**

SYNOD NAME	#	2015		2016		2017	
		SYNOD ACTUAL		SYNOD PLANS		SYNOD PLANS	
ALASKA	1A	156,636	40.00%	168,000	40.50%	166,000	40.00%
N.W. WASH	1B	590,214	47.00%	607,463	47.50%	590,500	47.00%
S.W. WASH	1C	381,734	40.00%	316,410	40.00%	376,000	40.00%
E.WASH/ID	1D	274,308	35.00%	296,700	34.50%	280,000	35.00%
OREGON	1E	388,772	40.00%	400,000	40.00%	416,150	41.00%
MONTANA	1F	415,000	41.50%	420,000	40.00%	420,000	40.00%
SIERRA-PACIFIC	2A	647,541	35.80%	655,140	35.80%	670,000	35.80%
SW CALIFORNIA	2B	518,571	50.00%	575,000	50.00%	575,000	50.00%
PACIFICA	2C	741,156	51.00%	729,300	51.00%	729,300	51.00%
GRAND CANYON	2D	899,947	50.00%	828,500	50.00%	875,000	50.00%
ROCKY MTN	2E	1,144,548	50.00%	1,157,500	46.00%	1,145,000	50.00%
W. NO.DAK	3A	497,900	46.00%	458,250	47.00%	463,125	47.50%
E. NO.DAK	3B	402,480	41.00%	438,700	41.00%	438,240	41.50%
SO. DAK.	3C	787,121	45.50%	789,488	45.00%	785,646	45.00%
NW. MINN.	3D	686,178	48.00%	668,528	47.00%	681,500	47.00%
NE. MINN.	3E	541,962	49.00%	575,750	49.00%	543,900	49.00%
SW. MINN.	3F	979,920	52.50%	919,245	51.50%	956,200	51.50%
MINPLS. AREA	3G	1,491,649	50.00%	1,585,000	50.00%	1,492,000	50.00%
ST PAUL (M)	3H	910,877	47.50%	997,500	47.50%	950,000	47.50%
SE. MINN.	3I	898,650	53.00%	804,960	48.00%	804,960	48.00%
** NEBRASKA	4A	1,836,210	54.50%	1,679,527	54.00%	1,839,400	54.10%
CENTRAL STATES	4B	875,801	50.00%	907,970	50.00%	882,500	50.00%
ARK/OK	4C	196,707	41.00%	198,650	41.10%	198,650	41.10%
N.TEX/N.LOU	4D	579,509	48.00%	603,662	48.00%	611,392	48.00%
S.W.TEXAS	4E	763,557	52.00%	774,375	52.50%	781,750	53.00%
** GULF COAST	4F	658,461	50.00%	363,953	50.00%	380,800	50.00%
METRO CHGO	5A	1,514,457	53.50%	1,502,200	51.80%	1,498,500	50.88%
NO. ILL	5B	1,276,014	55.00%	1,281,500	55.00%	1,261,200	55.00%
CEN.SO. ILL	5C	805,885	56.00%	812,000	56.00%	812,000	56.00%
SE IOWA	5D	1,324,262	53.50%	1,313,547	53.50%	1,337,500	53.50%
WEST IOWA	5E	253,397	40.10%	310,000	37.30%	321,100	38.00%
NE IOWA	5F	535,463	40.00%	614,000	40.00%	618,000	40.00%
N GRT LKES	5G	423,813	51.50%	425,850	51.00%	428,400	51.00%
NW.SYN (W)	5H	487,572	50.00%	503,770	43.00%	506,300	43.00%
EC WISC	5I	810,997	55.00%	852,500	55.00%	775,000	50.00%
GRTR MILWKEE	5J	1,120,688	55.00%	1,072,500	55.00%	1,100,000	55.00%
SO.-CENT (W)	5K	755,329	55.00%	852,500	55.00%	767,000	52.00%
LACROSSE (W)	5L	412,207	55.00%	385,975	50.00%	397,555	50.00%

**2016 - 2017 Synod Mission Support Plans  
 With 2015 Actuals**

SYNOD NAME	#	2015		2016		2017	
		SYNOD ACTUAL		SYNOD PLANS		SYNOD PLANS	
SE. MICH	6A	451,219	42.00%	440,000	40.00%	440,000	40.00%
N/W LOWER MICH	6B	687,201	50.00%	690,000	50.00%	738,646	50.00%
IND/KY	6C	918,702	52.00%	731,000	43.00%	752,500	43.00%
NW OHIO	6D	823,892	51.00%	826,200	51.00%	826,200	51.00%
NE OHIO	6E	715,313	50.00%	714,000	50.00%	679,500	50.00%
S. OHIO	6F	652,686	40.00%	699,520	40.00%	686,800	40.00%
NEW JERSEY	7A	1,020,834	50.00%	1,035,000	50.00%	1,050,000	50.00%
** NEW ENGLAND	7B	949,275	51.00%	518,000	51.00%	943,500	51.00%
METRO NY	7C	586,929	50.00%	618,625	50.50%	624,750	51.00%
UPSTATE NY	7D	498,706	42.00%	474,950	42.00%	478,800	42.00%
NE PENN	7E	1,080,186	47.00%	1,128,000	47.00%	1,080,186	47.00%
SE PENN	7F	985,153	50.00%	985,000	50.00%	995,000	50.00%
SLOVAK ZION	7G	16,325	30.50%	20,700	30.50%	19,000	30.50%
NW PENN	8A	407,124	50.00%	375,000	50.00%	400,000	50.00%
SW PENN	8B	719,692	47.50%	793,920	48.00%	777,600	48.00%
ALLEGHENY	8C	377,847	50.00%	337,500	50.00%	372,500	50.00%
** LOW SUSQ	8D	1,190,346	45.00%	1,022,000	39.00%	920,250	35.00%
UPP SUSQ	8E	416,611	50.00%	445,000	50.00%	422,500	50.00%
DEL-MRYLND	8F	974,685	50.00%	1,050,000	50.00%	1,070,000	50.00%
** METRO DC	8G	783,838	50.00%	577,500	35.00%	479,000	35.00%
W. VA/W.MYLD	8H	155,221	33.00%	147,738	33.30%	147,738	33.30%
VIRGINIA	9A	605,950	38.30%	657,068	39.00%	692,000	40.00%
NO. CAROLINA	9B	1,000,000	36.00%	1,000,000	34.60%	1,000,000	35.00%
SO. CAROLINA	9C	980,282	41.38%	1,007,380	41.80%	1,029,000	42.00%
SOUTHEASTERN	9D	1,083,155	50.00%	1,110,000	50.00%	1,113,000	50.00%
FLORIDA-BAHAMAS	9E	1,035,333	48.00%	1,014,831	47.00%	1,104,501	46.00%
CARIBBEAN	9F	40,000	17.20%	41,000	19.00%	39,000	19.00%
<b>TOTAL REMITTANCES</b>		<b>\$47,141,999</b>	<b>48.15%</b>	<b>\$46,305,845</b>	<b>47.00%</b>	<b>\$46,757,539</b>	<b>47.20%</b>

\*\* Mission Support Experiment Synod

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Chris Boerger, Secretary  
Linda Norman, Treasurer  
Bill Horne, Vice President and Chair  
William Gafkjen, Chair of the Conference of Bishops  
Paul Archer  
Christine Connell  
Vicki Garber  
Stephen Herr

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Richard Wehrheim (11/16)  
Clarence Smith (11/17)  
Ingrid Sponberg Stafford (11/17) (Chair)  
James Zils (11/16)  
Meri Jo Petrivelli (11/17)

*Staff: Jonathan Beyer, Wyvetta Bullock, Kathy Fry, Linda Norman, Annette Roman, Diane Snopek*

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Stephen Herr  
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Pamela Pritt (co-chair)  
2019: Maren Hulden  
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2022: Emma Wagner

*Staff: Wyvetta Bullock, Jodi Slattery*

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Gary Gabrielson  
Vicki Garber (Chair)  
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Michael Ward  
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Lorie B. "L.B." Tatum

Liaison bishops: John Macholz, Richard Graham

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John Lohrmann  
Vernon Veal  
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William Flippin  
Joyce Graue  
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Jonathan Splichal Larson  
James Utt  
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Andrea Micovsky  
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Loren Mellum  
Pamela Pritt  
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William Gafkjen (Term ends Dec. 31, 2019)  
Peder Johanson  
Leslie Swenson  
Seth Zimmann  
Emilee Le Blanc  
2022: Carolyn Jewett  
Joseph Nolte  
Emma Wagner  
Liaison Bishops: Mary Froiland, Kirby Unti, Herman Yoos  
*Staff: Jodi Slattery*

**Evangelical Lutheran Church in America**

**2017 Revised Income Estimates**

**FOR DISCUSSION PURPOSES ONLY**

	<b>2017</b>		
	<b>Approved Budget</b>	<b><i>Proposed Revisions</i></b>	<b>Revised Budget</b>
<b>CURRENT FUNDS</b>			
<b>UNRESTRICTED</b>			
Mission Support	\$ 43,875,000	\$ 250,000	\$ 44,125,000
Vision for Mission	800,000		800,000
Investment Income	1,465,620	(170,120)	1,295,500
Bequests & Trusts	1,250,000	125,000	1,375,000
Endowment	1,225,700	(72,000)	1,153,700
Rent	1,941,320	(30,000)	1,911,320
Other	2,940,400	(245,400)	2,695,000
<b>Total Unrestricted</b>	<b>\$ 53,498,040</b>	<b>\$ (142,520)</b>	<b>\$ 53,355,520</b>
<b>TEMPORARILY RESTRICTED</b>			
Global Church Sponsorship	\$ 3,550,000		\$ 3,550,000
Bequests and Trusts	1,525,000		1,525,000
Endowment	1,814,860	72,000	1,886,860
Unit Designated	85,000		85,000
Mission Investment Fund	1,500,000		1,500,000
<b>Total Temporarily Restricted</b>	<b>\$ 8,474,860</b>	<b>\$ 72,000</b>	<b>\$ 8,546,860</b>
<b>Total Unrestricted and Temporarily Restricted Income Funds</b>	<b>\$ 61,972,900</b>	<b>\$ (70,520)</b>	<b>\$ 61,902,380</b>
<b>Other Fund Sources</b>			
Designated Funds Released	\$ 1,155,000	\$ 1,984,540	\$ 3,139,540
Restricted Funds Released	2,168,105		2,168,105
<b>Total Funds Available</b>	<b>\$ 65,296,005</b>	<b>\$ 1,914,020</b>	<b>\$ 67,210,025</b>
<b>ELCA WORLD HUNGER</b>			
Direct Gifts	\$ 21,550,000	\$ 200,000	\$ 21,750,000
Endowment	550,000		550,000
Bequests and Misc.	2,700,000	(200,000)	2,500,000
<b>Total ELCA World Hunger</b>	<b>\$ 24,800,000</b>		<b>\$ 24,800,000</b>
<b>TOTAL INCOME</b>	<b>\$ 90,096,005</b>	<b>\$ 1,914,020</b>	<b>\$ 92,010,025</b>

**Evangelical Lutheran Church in America  
 2017 Revised Spending Authorization Proposal**

	Current Fund			ELCA World Hunger			Total
	Current Authorization	Proposed Revision	Revised Authorization	Current Authorization	Proposed Revision	Revised Authorization	2017
Domestic Mission	\$ 24,510,610	\$ 150,495	\$ 24,661,105	\$ 3,936,245	\$ -	\$ 3,936,245	\$ 28,597,350
Global Mission	14,037,995	259,965	14,297,960	17,371,370	-	17,371,370	31,669,330
Mission Advancement	4,814,340	168,925	4,983,265	3,492,385	-	3,492,385	8,475,650
Office of the Presiding Bishop	5,695,200	161,000	5,856,200				5,856,200
Office of the Secretary	3,973,070	99,060	4,072,130				4,072,130
Office of the Treasurer	8,572,615	424,575	8,997,190				8,997,190
General Treasury	151,200	-	151,200				151,200
Retiree Minimum Health Obligation	1,000,000	-	1,000,000				1,000,000
Depreciation	2,515,135	650,000	3,165,135				3,165,135
Strategic Initiative Fund	25,840	-	25,840				25,840
Total	\$ 65,296,005	\$ 1,914,020	\$ 67,210,025	\$ 24,800,000	\$ -	\$ 24,800,000	\$ 92,010,025

### **Update on the AMMPARO Strategy**

The implementation of the Accompanying Migrant Minors with Protection, Advocacy, Representation and Opportunities (AMMPARO) Strategy is being led by an AMMPARO Executive Committee, which consists of 8 staff from across the two units: Domestic Mission and Global Mission. Together, the two churchwide units are combining efforts and providing staff to implement the initiative. By the end of 2016, a work plan for 2017 with benchmarks will be developed.

In the meantime, implementation activities include the development of a communication plan. This is to be done in collaboration with the Mission Advancement Unit. This plan will help ELCA members who weren't present at the 2016 ELCA Churchwide Assembly to learn about the strategy and find ways to participate. The Global Mission Unit continues support for those programs in Honduras, Guatemala and El Salvador that address root causes of migration and assistance to those deported.

Connections are being made with synods, congregations and members seeking engagement with AMMPARO. These connections have resulted in the promotion of the Welcoming Congregation program in 10 synods, many of them new to AMMPARO. Work is in progress to expand the Guardian Angel program in those places where the program can be implemented

Around advocacy, the refinement of the advocacy strategy both in the US and in the Northern Triangle of Central America and Mexico continues. The ELCA and Lutheran Immigration and Refugee Service (LIRS) are strong partners and intentional collaboration continues between us.

# Budget and Finance Committee Report

*November 12, 2016*



**Evangelical Lutheran Church in America**  
God's work. Our hands.





# Report Highlights

- 2016 - 2017 Mission Support Plans
- 2017 Revised Income Estimates & Spending Authorizations
- ELCA Post-Retirement Medical Plan and ELCA Supplemental Retirement Plan
- Governance and Structure of ELCA Foundation Programs



# 2016 - 2017 Mission Support Plans



**Evangelical Lutheran Church in America**  
God's work. Our hands.

# Summary

- FY16 – one synod revision that will hold % sharing, and decrease \$.  
No change to Mission Support budget
- FY17 – seven synod revisions, overall a slight increase in projected dollars shared



# **ACTION: 2016 Mission Support Revision**

**To acknowledge with appreciation the action of the Northwestern Pennsylvania Synod to maintain the percentage of sharing of 2016 Mission Support contributions by congregations for synodical and churchwide ministries but estimating an adjustment in the projected amount to be shared; and**

**To further affirm that we will steward these gifts to maximize their impact in mission for the sake of God's Work. Our Hands. in the world.**



# 2017 Mission Support Plan Revisions



**Evangelical Lutheran Church in America**  
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# FY17 Synod Mission Support

Seven total revisions

- Two decreasing % sharing, and decreasing \$
- Five holding % sharing, and increasing \$
- Net change totals \$21K



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# **ACTION: 2017 Mission Support Revision**

**To acknowledge with appreciation the action of the following synods to maintain the percentage of sharing of 2017 Mission Support contributions by congregations for synodical and churchwide ministries but estimating an adjustment in the projected amount to be shared;**

**Delaware-Maryland, Southern Ohio,  
Southeastern Pennsylvania, Upper Susquehanna,  
Upstate New York**

**To further affirm that we will steward these gifts to maximize their impact in mission for the sake of God's Work. Our Hands. in the world.**



# **ACTION: 2017 Mission Support Revision**

**As a grateful church that affirms the partnership of congregation, synod and churchwide expressions, we affirm the percentage of sharing of 2017 Mission Support by congregations for synodical and churchwide ministries:**

**Lower Susquehanna Synod, Nebraska Synod**

**As a Church Council, we thank the bishops and synod leaders of every synod as they strive to be faithful to shared commitments within the ELCA and to direct synod and churchwide staff, including the directors for evangelical mission, to deepen their partnership in efforts to strengthen financial support for the Evangelical Lutheran Church in America.**

**We will steward these gifts to maximize their impact in mission for the sake of God's Work. Our Hands. in the world.**



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# 2017 Revised Income Estimates and Spending Authorizations



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# Revised Income Estimates



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**REVISED INCOME ESTIMATES  
CURRENT FUND**

	<b>2017</b>		
	<b>Approved Budget</b>	<b>Proposed Revisions</b>	<b>Revised Budget</b>
<b>UNRESTRICTED</b>			
Mission Support	\$ 43,875,000	\$ 250,000	\$ 44,125,000
Vision for Mission	800,000	0	800,000
Investment Income	1,465,620	(170,120)	1,295,500
Bequests & Trusts	1,250,000	125,000	1,375,000
Endowment	1,225,700	(72,000)	1,153,700
Rent	1,941,320	(30,000)	1,911,320
Other	2,940,400	(245,400)	2,695,000
Total Unrestricted	\$ 53,498,040	\$ (142,520)	\$ 53,355,520
<b>TEMPORARILY RESTRICTED</b>			
Global Church Sponsorship	3,550,000	0	3,550,000
Bequests and Trusts	1,525,000	0	1,525,000
Endowment	1,814,860	72,000	1,886,860
Unit Designated	85,000	0	85,000
Mission Investment Fund	1,500,000	0	1,500,000
Total Restricted	\$ 8,474,860	\$ 72,000	\$ 8,546,860
<b>Total Unrestricted and Temporarily Restricted Income Funds</b>	\$ 61,972,900	\$ (70,520)	\$ 61,902,380
<b>Other Fund Sources</b>			
Designated Funds Released	\$ 1,155,000	\$ 1,984,540	\$ 3,139,540
Restricted Funds Released	2,168,105	0	2,168,105
<b>Total Current Funds Available</b>	<b>\$ 65,296,005</b>	<b>\$ 1,914,020</b>	<b>\$ 67,210,025</b>





# Proposed Revised Spending Authorizations



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# Spending Authorization Highlights

- Personnel - salary increase of 2%; increased benefit costs; compliance with new overtime law; alignment of budget and staffing plan in the Office of the Secretary; and Domestic Mission staff changes totaling \$1,109,025
- Depreciation expense alignment - \$650 thousand increase to General Treasury
- Data security enhancements - \$225 thousand increase to Office of the Treasurer
- Mission support pilot synods - \$70 thousand reduction to Domestic Mission



**REVISED  
SPENDING AUTHORIZATIONS**

**2017 Current Fund**

	<b>Current Authorization</b>	<b>Proposed Revisions</b>	<b>Revised Authorization</b>
Domestic Mission	\$ 24,510,610	150,495	\$ 24,661,105
Global Mission	14,037,995	259,965	14,297,960
Mission Advancement	4,814,340	168,925	4,983,265
Office of the Presiding Bishop	5,695,200	161,000	5,856,200
Office of the Secretary	3,973,070	99,060	4,072,130
Office of the Treasurer	8,572,615	424,575	8,997,190
General Treasury	151,200	0	151,200
Retiree Minimum Health Obligation	1,000,000	0	1,000,000
Depreciation	2,515,135	650,000	3,165,135
Strategic Initiative Fund	25,840	0	25,840
<b>Total</b>	<b>\$ 65,296,005</b>	<b>\$ 1,914,020</b>	<b>\$ 67,210,025</b>



# ACTION

**To approve a revised 2017 fiscal year current fund spending authorization of \$67,210,025.**



# ELCA Post-Retirement Medical Plan and ELCA Supplemental Retirement Plan



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# SUMMARY

- Review the purpose and current obligations of the Post-Retirement plans
- Review and act on two items:
  - 1) Terminate trust and plan
  - 2) Transfer funds



# PENSION PLAN

- Supplemental Retirement Trust and ELCA Continuation of the ALC and LCA Minimum and Non-Contributory Pension Plan (created with merger in 1987)
- Currently overfunded



# MEDICAL PLAN

## ELCA Post-Retirement Medical Plan

- Churchwide organization \$2.5M annual contribution
  - Need sustainable plan
- Sponsoring Employer contribution of 0.7% of defined compensation
  - Included in current benefit rate



# Church Council Action: TERMINATE PLAN & TRUST

- Terminate the plan and trust
- Provide lump sum pay out to current beneficiaries



# Church Council Action: TRANSFER EXCESS FUNDS

- Future liabilities for the Chaplain benefit
- Assist in satisfying the 2016 ELCA Retiree Medical Obligation



# ACTION

**To terminate the ELCA Supplemental Retirement Benefits Trust (“Trust”) and the ELCA Continuation of the ALC and LCA Minimum and Non-Contributory Pension Plan (“Pension Plan”), including satisfaction of the Pension Plan’s liabilities, and to establish a general account to reserve potential liabilities associated with the ELCA Supplemental Retirement Plan for Government Chaplains (“Chaplains Plan”); and**



**To transfer the excess amounts (“Residual”) remaining after full satisfaction of the Pension Plan’s liabilities and reservation of potential liabilities associated with the Chaplains Plan to help satisfy the 2016 ELCA Retiree Medical Obligation.**



# Governance and Structure of ELCA Foundation Programs



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# Questions



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## Called Forward Together in Christ

1. To adopt Called Forward Together in Christ - ELCA Strategic Directions 2025.
2. To affirm the Conference of Bishops, under the leadership of its Chair, will discuss their role and approach to implementing the strategic directions at its March 2017 meeting.
3. To commit to a first phase of implementing the strategic directions during 2017 with attention to the following critical elements.
  - a. A well planned communication strategy that gives the statement visibility and promotes understanding and engagement in the continuing process of Called Forward Together in Christ.
  - b. Dissemination of ELCA Strategic Directions 2025 across the ELCA with targeted information for different audiences.
  - c. Using the spring Council Retreat to progress thinking on strategy and implementation of the goals and priorities, with a special focus on governance.
  - d. A launch as part of the 500th anniversary of the reformation observance.
  - e. Developing a process to engage congregations across this church in active conversation about ELCA's identity and helping them understand the directions in their context. This could be introduced through Synod Assemblies and be supported by resources and tools, with an aim to roll out a process to all congregations simultaneously in October.
  - f. Using the Rostered Leaders Gathering as a strategic opportunity to engage ELCA's leaders in understanding and contributing to implementation of the strategic directions.
  - g. Developing resources that keep the strategic directions rooted in scripture.
  - h. Alignment of Churchwide operational planning to the goals and priority areas for action.
  - i. Beginning work on the metrics and information that will enable ELCA to monitor progress toward its goals.

This directions paper shares the key messages harvested through conversations across the ELCA. We invite you to comment on the directions and priorities that have emerged.

## Called Forward Together in Christ for the sake of the world

A Consultation Paper on Future  
Directions of the ELCA

**July 25, 2016**



**Evangelical Lutheran Church in America**  
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# Preface

In 2017, together with Lutherans around the world, the Evangelical Lutheran Church in America will commemorate the 500th anniversary of the Reformation. Across this church we will be observing this event in worship, study, proclamation and witness and deeply reflecting on the precious gift of God's liberating grace. The Reformation anniversary provides a powerful focal point for reaffirming who we are as a Lutheran church and understanding what God is calling this church to be in its ongoing reformation. And for a brief time a spotlight will be turned on Lutherans in this country and around the world. How will we use this moment to explain ourselves and renew our commitment to sharing the good news of Jesus in a world suffering through growing conflict, fear and inequality, at home and abroad?

Through Called Forward Together in Christ, we have been asking what it means to be Lutheran and how we express this in today's world. We have learned we aren't as good as we could be in giving a clear answer to that question. We speak about grace, about our work in advocacy, about the relief and development work we do, about our inclusiveness and diversity – though I believe these last two are more aspirational than actual – about our ecumenical and interreligious dialogues and relationships. These are true and important, yet they are not exclusively Lutheran. Thanks be to God, many religious and secular organizations are deeply committed to serving the vulnerable and working for justice and peace. So what is distinctive about being a Lutheran church, and how do we agree on and unite around priorities that are important for the whole of the ELCA?

When the ELCA Church Council and Conference of Bishops endorsed this broadly based conversational and consultative process, I was nervous about whether we would reach conclusions that had wide resonance across this church – that we would be able to **say together** what is most important. This directions paper shares what we heard from church leaders and members about who we are as Lutheran and our distinctiveness as a Lutheran church together for the sake of the world. It also shares what people across this church see to be our most pressing challenges and priorities. I am heartened by the congruence we see in your responses and the passion for this church that has been expressed.

The conversations and feedback tell us two things: There is broad consensus about the church we want to become, but in some of the areas that are highly important we do not have a clear or effective strategy. Becoming an inclusive, multicultural and more youthful church is on everyone's lips, but we are so far failing as a church to achieve our aspirations. Growing discipleship and membership of this church is also an aspiration, but congregations, synods and the churchwide organization have struggled to find ways to reverse the decline in membership and participation in this church. This is weighing heavily on the hearts and minds of a majority of lay, lay rostered and ordained leaders. So how do we collectively respond to this? There are also areas identified to be important where we are enthusiastically and effectively living out God's mission – for example in our global and domestic mission work and in our ecumenical partnerships and interfaith relationships.

We invite you into this next stage of discerning the ELCA's future directions and priorities. Let us know what you think about the themes and directions reflected in this paper. Your input will help the ELCA's leadership tables be courageous in interpreting God's call and together developing an intentional strategic focus in taking that call forward.

**Presiding Bishop Elizabeth Eaton**

A handwritten signature in black ink that reads "Elizabeth A. Eaton". The signature is written in a cursive, flowing style.

# 1 INTRODUCTION

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## 1.1 ABOUT CALLED FORWARD TOGETHER IN CHRIST

Presiding Bishop Elizabeth Eaton, together with the ELCA Conference of Bishops and Church Council, has embarked on an ambitious process to invite people, ministries and institutions of the ELCA into a conversation about future directions of this church. Building on processes that have come before it, especially Living into the Future Together (LIFT), Called Forward Together in Christ seeks to discern future directions and priorities of the ELCA. The process started in November 2015 when the Conference of Bishops and Church Council affirmed its importance and discussed how to best engage people across the ELCA. It involves three stages in 2016.

**Conversations** across this church about the future (January to June).

**Consultation on directions and priorities** that emerged through these conversations (July to September).

**Reaching decisions** about where the ELCA is heading and to what it will give importance. In this paper we refer to that as a Future Directions Statement (October to November).

The 500<sup>th</sup> anniversary of the Reformation in 2017 offers an exciting moment in the ELCA's journey – a time to rejoice in the life-giving, liberating power of the gospel and deepen our faith and love of Jesus. As a church always being made new, what better time to launch a shared vision and direction for the ELCA around which leaders and members can unite. What is decided by the Church Council in November will be launched as part of marking the Reformation anniversary.

### Where are we in the process?

On advice of the presiding bishop, the ELCA Church Council appointed a Future Directions Table to guide the process. One of their primary tasks is to make sense of the messages and themes resonating through Called Forward Together in Christ. They met in March and June and will meet again in September to help shape a Future Directions Statement ahead of the Conference of Bishops and Church Council meetings. You can see who serves on this table on the last page of this paper.

**Stage one is completed** and we have heard from many people across this church:

- through conversations held in congregations and at synod assemblies;
- through a survey of rostered leaders, lay and ordained and a survey of youth and young adults;
- via the website and social media;
- through discussions and information gathered from church networks and specialized ministries (young adults, ethnic and multicultural ministries, social ministries, campus ministries, seminaries and separately incorporated ministries); and
- through meetings involving the Conference of Bishops, the Church Council and the churchwide organization.

While the specific wording of questions and input mechanisms varied for different groups, we used six BIG questions to focus conversations.

- ◆ What is distinctive about who we are as a Lutheran church?
- ◆ What kind of church do we believe God is calling us to become?
- ◆ How do we become an inclusive, diverse church that is inspiring and relevant in different communities?

- ◆ What is God calling us to do in a world that is facing unprecedented levels of poverty, conflict and violence, interreligious tension and displacement of people?
- ◆ What do we expect from our church leaders? And how do we recruit, invest in and support them to lead this church into the future?
- ◆ Will our current structures serve this church well into the future? How can the ELCA maintain strong congregational participation and ownership and become more connected as one church?

We are grateful to the many individuals who participated in the process and those who led conversations. Of course we did not reach everyone. But we believe the many voices heard show there is a high degree of shared thinking on hopes about the future of this church and what is important.

This directions paper takes us into **stage two**. The Future Directions Table advised on and shaped the content of this paper, with writing undertaken by our consultant supporting Called Forward Together in Christ, Lyla Rogan, and input from Kenneth Inskip. It is also informed by available ELCA research and other important discussions on the future of this church.<sup>1</sup>

The directions paper provides the platform for the next stage of consultation and engagement in the process. It summarizes the main themes coming through conversations and meetings held, survey findings and other research. And it begins to identify what these messages point to in terms of future directions and priorities. This paper is being distributed widely to get feedback on what has emerged.

**Stage three** moves to decision making. In November 2016, the ELCA Church Council will affirm a Future Directions Statement. The Future Directions Table, Conference of Bishops, Church Council members and leaders in the churchwide organization will contribute to shaping the statement in the lead-up to the Church Council meeting. The goal is to achieve joint ownership of the statement by the ELCA's leadership tables and invite others to join in leading the church forward based on a shared view about what is important.

**2017 and beyond** – The Future Directions Statement will be launched in 2017 as part of marking the 500<sup>th</sup> anniversary of the Reformation. The process will extend well beyond 2017 as the directions are interpreted and implemented across the ELCA's complex church ecology.

If this is the first time you are hearing about this process, you can find more information at [ELCA.org/future](http://ELCA.org/future). And it is not too late to be heard!

## 1.2 HOW TO RESPOND TO THE DIRECTIONS PAPER

We welcome feedback on the directions paper via written comments online or email. We encourage you to **use the questions throughout the paper** as a basis for discussion with others and send us responses that arise. You may wish to give general comments, respond to a specific section of the paper or give a longer response to several of the questions. There will also be opportunities for input at the ELCA Churchwide Assembly and the Grace Gathering in August.

Send your feedback by **Friday, Sept. 9**, via the remark form, <https://surveys.elca.org/scripts/rws5.pl?FORM=CTFFFeedback>, or by sending an email to [future@elca.org](mailto:future@elca.org).

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<sup>1</sup> Blue Ribbon Committee (2006-2007), the Living into the Future Task Force (LIFT I, 2009-2011 and Lift II, 2011-2014), the Group of Nine (2011-2012), the Mission Funding Task Force (2102), the Three Leadership Tables, Church Council Retreat and the Bishop's Think Tank on Mission Support (2014-15).

## 2 DOES THE ELCA NEED TO ESTABLISH PRIORITIES?

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This is not the first time the ELCA has sought to discern priorities that help this church be more effective in serving God’s mission and respond to contemporary challenges facing mainstream Christian denominations. However, deciding future directions and priorities for the ELCA is far from a regular strategic planning exercise. While God’s mission is clear, as people of God, we must constantly discern how to express and carry out that mission in a faithful, relevant and compelling way in today’s world.

The ELCA is a complex part of the body of Christ, with many expressions, ministries, leaders, members and participants. There are multiple centers of ministry, leadership and places of decision-making and this makes it hard to test and affirm what this church together holds to be important. We know God is calling and guiding us and that the plans we put in place are meant to help us steward the gifts, resources and opportunities God places in our hands.

There are great examples of what this church can achieve together when shared purpose, collaboration and good ideas come into play. Recent examples are the Malaria Campaign, *Always Being Made New: The Campaign for the ELCA*, AMMPARO (Accompanying Migrant Minors with Protection, Advocacy, Representation and Opportunities), the Word and Service Task Force, and the work of the Theological Education Advisory Committee.

As Bishop Eaton said in her invitation to participate, “We know our mission – we are a people of God together preaching Christ and Christ crucified because the world deserves to hear the gospel.” The question she and many others pose is, “How can we be clearer, better focused and more effective in the way we tell the good news and embody God’s love for the world?” This is the aim of Called Forward Together in Christ.

### Why now?

Many people who joined the conversations feel there is a pressing need to find better responses to the big challenges facing the ELCA and to build shared leadership commitment to strategies that put this church on a positive, confident and unashamedly Christian path for the years ahead. This process matters now because the cultural and religious landscape in America and around the world has changed. It matters now because there are some very real challenges facing the church for which the ELCA does not yet have answers. And it matters now because we cannot do and be everything. This church needs to make some strategic choices so we can concentrate our efforts and steward our human and financial resources in the right direction. This is what setting directions and priorities for this church is about.

## 3 THE CONTEXT

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This section touches on some of the contextual factors and challenges that have had and will continue to have an impact on the ELCA. When the church discerns priorities for the future, it is in part considering how to respond to today’s context and the challenges and opportunities that presents.

### 3.1 THE LIFT LEGACY

The Taskforce on Living into the Future Together: Renewing the Ecology of the ELCA (LIFT) was set up in 2009 and presented its first report to the ELCA Church Council in 2011. Resolutions were taken to the Churchwide Assembly and were passed, reflecting their broad support. In brief, the resolutions dealt with:

- making support for the work of congregations one of the highest priorities of this church;
- strengthening synods as catalysts for mission planning and reassessing synod roles, boundaries and structures;
- undertaking work through the Conference of Bishops to develop strategies to support the vitality of congregations, mission growth and outreach and consider how resources are increased and distributed in support of congregations; and
- affirming the importance of regions as centers for cooperative mission and ministry and the role of the churchwide organization in accompaniment of congregations and synods, building capacity for evangelical witness and service and supporting effective church relationships and ministries.

Following the 2011 Churchwide Assembly an advisory committee (LIFT II) was set up to continue providing advice in the implementation of the resolutions. This committee reported to Church Council in 2014, observing there was at the time both significant accomplishments and unfinished business.

The issues and priorities emerging from the Called Forward Together in Christ process echo many of the LIFT conclusions. Interestingly, the unfinished business highlighted in the final LIFT report includes some of the major areas that continue to be seen as important:

- facilitating grassroots input and collaboration – connecting, solving problems and sharing information;
- growing as a multicultural church;
- leadership development;
- vitality and boundaries of synods; and
- Mission Support – how to increase and distribute resources in line with church priorities.

The final LIFT report concluded:

*The ELCA has made significant progress in the past decade. Congregations must be ready not only to respond and adapt to changes in our context, but also to serve as catalysts and lead the way in shaping communities that are transformed by the vision of God’s mission. In order to do so, we must have an intentional way of asking provocative questions and seeking and responding to feedback. The churchwide organization also has the opportunity to serve as a catalyst, not a barrier, for innovation at the grassroots level as we constantly ask, learn, grow and live into God’s future for us together.<sup>2</sup>*

Called Forward Together in Christ is a further opportunity to ask the questions, explore common aspirations and address challenges.

## 3.2 TRENDS – THE ELCA AND THE U.S. RELIGIOUS LANDSCAPE

### Patterns of growth and decline in membership

At the beginning of the 20<sup>th</sup> century, the membership of congregations, now part of the ELCA, represented 2.5 percent of the U.S. population. Up to World War II, the church benefited from newly arriving immigrants from predominately Lutheran countries in Europe who were looking for new church homes. After WWII, there was a new growth spurt due to a significant increase in the birth rate among Lutherans in the U.S., and by the mid-1970s, membership of the ELCA was 5.6 million or about 2.7 percent of the U.S. population.

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<sup>2</sup> LIFT II Final report to the ELCA Church Council, April 4-6, 2014.



Over the last 40 years, baptized membership in the ELCA has declined, with the rate of decline increasing substantially after 2000. By 2015, the baptized membership was 3.7 million or about 1.2 percent of the U.S. population. The decline in membership has made it increasingly difficult to support the ministries the predecessor generation of Lutherans had built. When congregations have less, the impact is felt most directly by camps, campus ministries, seminaries, synods and the churchwide organization, and nearly all of these ministries are now assessing their futures.

### **Is there a real commitment to growing membership?**

Membership growth is one of the greatest challenges facing the ELCA, in part because it is not viewed as a priority across the church. In a 2015 survey of ELCA pastors, 17 percent indicated that steady growth in membership or attendance was “very important” (5 on a five-point scale from 5-very important to 1-not at all important). Forty-four percent of pastors ranked the importance of steady growth in membership or attendance at 3 or below on the scale.

In the survey conducted as part of Called Forward Together in Christ, pastors and lay leaders were asked about the importance of “spreading the good news of the gospel.” The item was ranked as “very important” by 51 percent of the clergy and by 68 percent of the lay leader respondents. At the same time, there was a clear indication among both pastors and lay leaders that, even as members want their congregations to grow, they tend to be “set in their ways” and find it difficult to change to attract new members (including young adults). When asked, for example, about the importance of trying new outreach or evangelism strategies, 48 percent of the clergy and 31 percent of the lay leaders ranked its importance at 3 or below on the five-point scale. On the 2015 Annual Report, the respondents were asked how their congregation is at “equipping members to share their faith with others.” Sixty-three percent of the respondents said their congregation was “mediocre” or worse in doing so.

A central premise of the LIFT Taskforce was that membership growth is key to the ELCA’s future. LIFT endorsed and supported the deployment of churchwide staff to synods from the churchwide Domestic Mission unit (then Congregational and Synodical Mission). These directors of evangelical mission were tasked with a variety of functions, but primary among them was synodical mission planning and strengthening the ability of congregations to engage in mission. One key question, however, is the relationship of these activities to membership growth. Overall, baptized membership and worship attendance have continued to decline. The congregations that subsequently developed mission plans were larger (about 150 in worship) than the congregations that did not (about 90 in worship), but those who did so continued to decline, albeit at a somewhat slower rate, which may simply have been a reflection of the larger size of these congregations.

### **The challenge of geography**

Lutherans live all over the U.S., but they are most heavily concentrated in 11 states. Forty percent of all ELCA Lutherans live in just three states: Minnesota (18.5%), Pennsylvania (11.7%), and Wisconsin (10.0%). Another 32 percent live in eight additional states: Iowa (5.7%), Illinois (5.3%), Ohio (5.2%), North Dakota (4.1%), New York (3.1%), South Dakota (2.9%), Nebraska (2.7%) and Michigan (2.7%). In 2015, these 11 states accounted for 26 percent of the U.S. population. While each of these states is projected to grow (with the exception of North Dakota), none is growing rapidly.

Between 2000 and 2015, the fastest growing states in the U.S. (based on projections from the U.S. Census) were California, Texas, Florida, Arizona, Georgia and North Carolina. Each of these fast-growing states grew by nearly 2 million or more from 2000 to 2015 and each is projected to continue to grow at a significant rate. While the population of these states increased by a combined 23.6 million, the baptized

membership of ELCA congregations in these states actually decreased by 238,000. In each of these states, ELCA members account for less than 1 percent of the population.

### The suburban bubble

After World War II, millions of U.S. veterans returned home. Some of those who served were able to access educational benefits under the G.I. Bill and housing benefits provided by the Veterans Administration and the Federal Housing Administration. College-educated veterans created a new professional class. Others found new, well-paid jobs in manufacturing and service professions. The U.S. economy was strong and had few competitors. Household incomes increased and people could afford to buy new homes and start families. Developers provided affordable solutions by choosing undeveloped plots of land on the edges of urban areas and the suburban movement was on.

These new suburbs and the favorable family values of the post-World War II United States created a demand for new congregations. Between 1950 and 1970, the predecessor bodies of the ELCA started a record number of 2,355 new congregations. However, for a host of reasons (i.e. re-emerging economic competition from Europe and Japan, the institutional disenchantment produced by Jim Crow segregation, the Vietnam War, the civil rights and women's movements), the phenomenal suburban growth proved to be impossible to sustain. Suburban development would continue, but the rate slowed. Between 1970 and 1990, the number of new congregations founded by the predecessor bodies of the ELCA fell to 1,105 and between 1990 and 2010, the number of new congregations begun by the ELCA was 790.

### The changing household

New ministries in the ELCA during the post-World War II period depended upon predominantly white, stable, two-parent households and the birth of children in the suburbs. These growing households bolstered the Sunday school and vacation Bible school attendance of Lutheran congregations. In 1970, there were 1.5 million Sunday school pupils and 650,000 vacation Bible school pupils in the predecessor congregations of the ELCA. But, by the time of the merger in 1988, Sunday school attendance had fallen to 1 million and vacation Bible school attendance to 380,000. In 2010, Sunday school attendance was at 400,000, and vacation Bible school attendance was 255,000. In 2015, the estimate of Sunday school attendance is just over 300,000.

Stable, mainly white, two-parent households, anchored in suburban communities and committed to raising children still exist, but there are far fewer of them. In 1955, the birth rate was 25 live births per 1,000 population. By 1970, it had dropped to 18, and in 2010, the birth rate was 13. The average size of a household in 2015 was 2.54 people, down from 3.67 in 1948.

### Young adults

The membership of the ELCA as a whole is considerably older than the general population. The median age of those 15 to 99 in the ELCA is 58.<sup>3</sup> For the U.S., the median age of those 15 to 99 is 39. About a third of the U.S. population is between the ages of 20 to 44 compared to about a fifth of the active members of the ELCA. Many congregations have struggled to attract younger people and to adapt their worship and mission planning to better accommodate their views and expectations.

Christian Smith's 2009 work on the religious and spiritual lives of young adults describes the religious views of emerging adults.<sup>4</sup>

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<sup>3</sup> This age estimate is based on surveys, and those under 15 typically do not complete these questionnaires.

<sup>4</sup> Christian Smith with Patricia Snell, *Souls in Transition: The Religious and Spiritual Lives of Emerging Adults*, New York: Oxford, 2009. 286.

*Not all emerging adults think about religion in the same way, but there definitely is a dominant outlook when it comes to religion. Most emerging adults are okay with talking about religion as a topic, although they are largely indifferent to it—religion is just not that important to most of them. So for the most part, they do not end up talking much about religion in their lives. To whatever extent they do talk about it, most of them think that most religions share the same core principles, which they generally believe are good. But the particularities of any given religion are peripheral trappings that can be more or less ignored. The best thing about religion is that it helps people to be good, to make good choices, to behave well.*

### The diversity of U.S. society

Among the most significant challenges impacting the ELCA is the growing racial and ethnic diversity of the U.S. In 1950, 90 percent of the U.S. population was white. In 2010, 65 percent of the U.S. population was white. Between 1950 and 2010, the Latino population grew from about 2 percent of the population to 15 percent. Despite the commitment of those who founded the ELCA to increasing the racial and ethnic diversity of ELCA congregations, progress has been slow. As of 2015, the ELCA is 94 percent white. This surfaced as a major issue in *Called Forward Together in Christ*. Many would affirm the goal but note the need to revisit how the ELCA becomes a church that better reflects the diversity of U.S. society.

### The challenge of spiritual but not religious

Perhaps because the vast majority of Americans claim they believe in God, the U.S. is often considered a religious country.<sup>5</sup> However, the vast majority of people in the U.S. do not attend church regularly, and those who do are largely Roman Catholic or conservative evangelicals. Attempts to estimate the actual number who attend worship in a typical week conclude that it is about 20 percent of the population.<sup>6</sup> The number of people who do not identify with any religion or religious group is also growing at a rapid rate. One-fifth of the U.S. population and a third of adults under 30 are religiously unaffiliated.<sup>7</sup>

### Other factors

Other factors influencing following and practicing religion in the U.S. and globally are:

- the mobility of people and changing work patterns – the neighborhood congregation that worships at a fixed time on Sundays does not fit easily in to people’s lives;
- interreligious tensions and conflict in the world creating a culture of fear, which makes people suspicious of organized religion; and
- the growing disparities in economic well-being and the pressures families face to merely survive.

### How should the ELCA respond?

These changes in context present a significant challenge to congregations and other institutions of the ELCA. If this church is convinced it has something important and special to contribute to God’s mission, it is faced with encouraging others to actively participate as ELCA Lutherans. This means growing congregations and maintaining a commitment to growing congregations. To grow, ELCA congregations have to think and act more creatively. There are many in this country – young people, people of color, people with languages other than English, people who are poor and people of some means – who have never heard the distinctive message of ELCA Lutherans that God is a gracious God who loves them and can

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<sup>5</sup> <http://www.gallup.com/poll/147887/americans-continue-believe-god.aspx>.

<sup>6</sup> C. Kirk Hadaway and Penny Long Marler, “How Many Americans Attend Worship Each Week? An Alternative Approach to Measurement”, *Journal for the Scientific Study of Religion*, September, 2005.

<sup>7</sup> “Nones” on the Rise: One-in-Five Adults Have No Religious Affiliation, Pew Forum on Religion and Public Life, 2012.

set them free from themselves to serve. And there are many who may have encountered Lutherans whom they perceive are more committed to maintaining the past than embracing and shaping the future.

There are evident tensions that sit around the theme of church growth. Some have said it shouldn't be about the numbers, it is about deepening our faith. A few say God may be calling us to be a smaller church and we should plan for this. While there are good examples of congregations and synods evangelizing in a creative and intentional way, many lay and ordained leaders are struggling with how to respond to the falling numbers in their congregations.

Called Forward Together in Christ has uncovered a sense of urgency that this church must face up to the challenges in a more strategic and intentional way. Many see that it is now critical that the ELCA's leaders work together to better understand how growth is achieved and take action to achieve this outcome.

#### Your feedback

- ◆ What does the above analysis mean for the future of the ELCA?
- ◆ What other important factors need to be considered?

## 4 WHAT IS GOD CALLING THE ELCA TO BE TODAY?

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The conversations and feedback shared through Called Forward Together in Christ demonstrate a powerful and mostly unified view about what God is calling this church to be. The messages reflect what is important in the ELCA's Lutheran theological traditions and the kind of church we want to be in the future. Here we capture the common themes and propose how they might be presented in the Future Directions Statement.

### 4.1 KEY MESSAGES FROM ACROSS THIS CHURCH

#### We are a distinctively Lutheran church

We are centered in Christ crucified, resurrected and in whose footsteps we follow. We are disciples of Jesus offering a living witness and testimony to the love of God in the world.

We are a Lutheran church, rich in theology, embracing and teaching Martin Luther's foundational catechetical framework that we are saved by God's unfailing grace through faith alone and that we can be in direct relationship with this trinitarian God.

We are scriptural and sacramental, grounded in God's word of law and gospel that continues to speak to us. We are chosen by God through Baptism and renewed through the presence of Christ in Holy Communion.

Our future is one of abundance and hope – with bread, wine, water and God's word, all things are possible. Worship, prayer and reading the Scriptures is at the center of our life together and nurtures our unity in Jesus. When we gather for worship, we connect with believers everywhere.

We are grounded in a long and proud theological tradition that is always looking to the future. And we are a church that is comfortable with mystery and uncertainty, grounded in our hope and faith in Christ.

We are committed to being in communion with Lutherans around the world through The Lutheran World Federation and our global companion churches.

## **We are church together living the way of Jesus for the sake of the world**

The ELCA is a church that confidently proclaims God's love and grace and the gospel of forgiveness in Christ.

We are a missional church – we embody the goodness of God, and we are set free to serve people and communities that are suffering because of hunger, poverty, disasters, conflict and racism.

We are a church whose people engage in ministry in daily life – we empower people in God's calling at work, at play, in families and households, and in communities.

We are a broad church with many places of worship and centers for mission – congregations, synods, social ministries, the churchwide organization, global ministries, young adult networks and ministries, colleges and seminaries, financial service ministries and more.

We are a church that is out in the world, engaged in the public space through our service, advocacy and social statements. We speak out for justice and peace, lifting up the voices and experience of people who live with poverty, marginalization, discrimination, violence and fear.

As church together, through formal and informal relationships and networks, we can achieve things on a scale that would otherwise not be possible.

## **We are a welcoming and inclusive church**

Liberated by grace, we hold the intention to surrender judgment, forgive, accept all and offer a radical welcome to all God's children.

We strive to be an inclusive church that reflects the diversity in our communities and U.S. society – including ethnic and cultural identity, age profile, sexual orientation, family and relationship status and socio-economic class. Our worship and faith practices evolve and deepen with the gifts given and received by a diverse church leadership and membership.

The ELCA's goal to be a diverse and inclusive church is longstanding, yet the ELCA remains a predominantly white and ageing church. If diversity and inclusion are a priority, the ELCA will need to come to grips with why the church profile is, for the most part, not changing.

## **We are a relational church**

We are a faith community, some would say a movement, together proclaiming and witnessing the good news of Jesus. Members of this church live out their faith through service and engagement in their communities and with other parts of the church.

Ecumenism is at the core of the ELCA's confessions and beliefs. We are committed to our full communion partners and to dialogue with ecumenical partners locally and globally.

We engage in dialogue and collaboration with other faiths for the sake of justice, reconciliation and peace in the world. We also engage with other parts of civil society, government and business.

### **Your feedback**

- ◆ Do the above statements describe who the ELCA is as a Lutheran church? What is missing?
- ◆ Can we explain who we are as a Lutheran church in a more engaging and consistent way?

## 4.2 PROPOSAL FOR HOW THIS IS EXPRESSED IN THE FUTURE DIRECTIONS STATEMENT

A recurrent theme in the Called Forward Together in Christ process was that the ELCA is clear about who it is as a Lutheran church but that it does not do a good job communicating this in a consistent, exciting and accessible way – inside the church and to others beyond the church. An ELCA Future Directions Statement provides an opportunity to find a short and compelling way to speak about:

- ◆ Who we are as Lutherans
- ◆ Who we are as church together
- ◆ Who we are as church for the sake of the sake of the world

**The Future Directions Table proposed that the final statement adopt this structure, and we will use the clear thinking from Called Forward Together in Christ to craft these statements in the next months.**

### Purpose and vision

Taking the heartfelt commitment to this church that was revealed in Called Forward Together in Christ, the Future Directions Table also discussed having a short, shared purpose and vision that gets to the “why” of the ELCA. Easier said than done. This group wanted statements that show “It is all about Jesus!” They desired a unifying narrative that reminds us of the “why” and affirms who this church is and what it stands for.

**God’s work. Our hands.** has become a recognizable and loved tagline that goes to the heart of what the ELCA is about. There was a strong call to retain this and to broaden its use. It is a good example of what we are looking for in vision and purpose.

The Conference of Bishops and Church Council will be asked to shape and endorse a succinct expression of the ELCA’s purpose and vision. We welcome your ideas for a vision and purpose that have the power to unite and help us communicate who we are as church together. Below are some initial ideas.

### Our shared purpose (why this church exists)

- ◆ *To love and serve God and the neighbor*
- ◆ *To love God, love and serve others, grow spiritually and share the good news of Jesus*
- ◆ *To live out God’s grace and love in a broken world*

### Our vision (the long-term aspirational end or change we want to see)

- ◆ *A church united in God’s mission joyfully living the realities of Jesus*
- ◆ *A church together, proclaiming Jesus Christ and sharing God’s love*
- ◆ *A world that knows Jesus and has found peace, reconciliation and justice*

### ELCA values

Some of the ELCA characteristics identified through Called Forward Together in Christ take the form of core values or commitments that derive from the Scriptures and Lutheran theology but also say something important about the ELCA’s character and conduct as a church. As a starting point, the values below were expressed often and widely.

- ◆ Inclusion and diversity
- ◆ Dignity and compassion
- ◆ Forgiveness and reconciliation
- ◆ Courage and adaptability
- ◆ Mutuality in relationships
- ◆ Careful stewardship of God’s gifts

### Your feedback

- ◆ Let us know your thoughts on a purpose and vision statement – flag those you like from the ideas above or propose others that will help us find the powerful words we are looking for.
- ◆ Are the values identified above right for the ELCA of the future? Are there other values that guide your congregation, synod or agency that could be embraced by the ELCA as a whole?

## 5 FUTURE DIRECTIONS AND PRIORITIES

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### 5.1 KEY MESSAGES FROM ACROSS THIS CHURCH

The Called Forward Together in Christ conversations produced consistent findings about what is important going forward. In reviewing the discussion themes, the Future Directions Table observed that the emerging priorities were not new. Rather, they reinforce areas that have been seen to be important and invite the question whether the ELCA should be more determined to improve or strengthen its efforts in these areas and what this would require of different parts of this church. Below we reflect the messages heard. They are not intended to present a hierarchy of priorities.

#### A Christ-centered thriving church

Everyone wants a growing, thriving ELCA, and congregations are a key to this. However, it was also apparent from available ELCA data, discussions and surveys that the tide is not turning on declining membership. And there are likely to be myriad views about why this is. LIFT rightly focused on congregational renewal and mission planning, but, as pointed out earlier, this has not had a significant impact.

Participants in this process called for renewed emphasis and new approaches to evangelizing that share the good news of Jesus in ways that are meaningful in the context of people’s daily lives. They highlighted the importance of equipping people – members and leaders – to speak about faith in daily life with non-Lutherans. And there were calls for honest reflection on the success or otherwise of strategies directed at congregational renewal and new starts.

The conversations remind us that evangelism starts with reaching out and inviting people to Jesus in neighborhoods, workplaces and community settings. It is about taking risks and leaving the comfort zone of being with “people like us.” And it may require different approaches depending whom you are inviting. Consistently, we heard younger adults are likely to connect with the ELCA’s service and witness in the world and the gift and power of Lutheran grace theology. Pastors and clergy generally want to raise the visibility of this church in their communities, and they look to the churchwide organization to do the marketing and branding for the whole church, like the Methodists and Roman Catholics.

The world needs the gospel rightly proclaimed. Lutherans are not solely or exclusively responsible, but they have a special and significant role to play alongside other Christians. Lutherans speak for the “overwhelming goodness of God.” Some say that Lutherans have been quiet stewards of this gift – that Lutherans in the U.S. have been largely on the sidelines and they have kept to themselves.<sup>8</sup> This was reflected in the conversations as a call for the ELCA to be a more public church, out there in communities and the world spreading the gospel, proclaiming the good news and bringing people to Jesus.

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<sup>8</sup> One important exception is the network of social service agencies built by Lutherans. Lutheran Social Services in America represents more than 300 health and human services organizations that reach 6 million people annually, touching the lives of 1 in 50 people in the U.S. each year.

## Word and sacraments

This church is “committed to worship God in the proclamation of the Word and administration of the sacraments and through lives of prayer, praise, thanksgiving, witness and service.” (The Use of the Means of Grace, p. 8) Called Forward Together in Christ findings reaffirm this commitment. We want our congregations to be places of welcome to all people to encounter God’s word and the sacraments. These gifts from God are how God’s grace is present with communities of faith in tangible ways. This church is diverse in how congregations worship and receive these gifts. As we reach out to the world around us, we have a strong foundation on which to build new relationships and share God’s love.

## An inclusive and diverse church

Inclusion and diversity are considered to be of utmost importance – because of the ELCA’s theology and beliefs and for future sustainability of this church. In the context of Called Forward Together in Christ, two areas received more attention than others – becoming a multicultural church and generational diversity.

The Future Directions Table, Conference of Bishops and Church Council see the need for a broad definition of diversity that includes ethnicity and culture, age, socio-economic class, sexual orientation and household/family structures. Differentiated strategies will be needed to live into inclusion and diversity across these very different dimensions.

In this process we heard that being inclusive means the ELCA offering a radical welcome to all God’s children and unconditionally accepting and including them in the life of this church. It is about ELCA congregations and worship communities understanding and reaching out to people in their neighborhoods, inviting them in and listening to what they are seeking in their faith journey and from this church. Many spoke of a shift from welcome to genuine inclusion, meaning congregations show an openness to adjusting the way they have traditionally done things so people feel they too can be part of the worship community.

Like society and other churches, the ELCA reflects a range of values and views, from conservative to more progressive. Many would like to see the ELCA be more public about the beliefs it holds on racism, violence and the causes and costs of social and economic exclusion, believing that if it were more public it would have the effect of drawing a more diverse following. For some, calling out racism and discrimination in all forms is an integral part of becoming a multicultural church.

One big question raised through Called Forward Together in Christ is why the profile of the ELCA is not changing despite it having been a goal for some time. The response must examine who owns this goal, and who does not. Research undertaken by the churchwide organization’s research and evaluation section finds many congregations are content with the way things are and fearful of how change might impact their members. Others are concerned and committed but not sure how to achieve the change or feel they do not have the resources to make things happen. And there are a growing number of leaders and members who are frustrated and fear the ELCA will remain a white church for the few.

Many suggested the ELCA needs to promote what’s working in a more strategic and concerted way, develop and try new strategies and accept that some congregations may not come on board. An important foundation for becoming a more diverse church is a leadership profile that mirrors the diversity of communities and having leaders who are competent to serve in an inclusive church.

## Leaders and leadership development

Leaders and leadership development was rated one of the highest priorities in Called Forward Together forums and discussions. There was concern about low morale among clergy and a gap in aspiration between lay leaders and pastors. Having a church leadership that is fit for the future is foundational to



other emerging priorities: growth through evangelism, inclusion and diversity, faith formation and discipleship, and being a church that engages and serves people who are suffering in the U.S. and around the world. There is strong agreement about what is needed but less clarity about how to get there.

*Leaders equipped to lead the church of tomorrow* – This church needs leaders who are passionate about Christ, spiritually grounded, theologically fluent, ecumenically committed and growing in their capacities to lead in a complex world. At the same time, the ELCA needs leaders who are ready for different ministries and better matched to areas of ministry needed by this church. To achieve this, bishops may need greater freedom to empower lay leaders, create bi-vocational pathways and develop other forms of leadership to fit their contexts.

Leaders for tomorrow will need a more mixed education – with a strong theological and vocational orientation and knowledge and skills relevant to different contexts. The rapidly changing world requires church leaders who are compassionate, adaptable, courageous, committed evangelists with strong relationship and communication skills and cross-cultural competence. Future leaders must be able to explain theologically and practically who we are as a Lutheran church and why we do what we do.

*Education and formation of leaders* – The ELCA needs to invest more in recruiting, educating, supporting and retaining ordained and lay leaders to serve across the church. Conversations and meetings identified the Theological Education Advisory Committee as important work that is in the right direction. The following messages were persistent:

- theological education is bigger than seminary education;
- strengthen programs of vocational discernment and formation especially in colleges and provide different vocational pathways;
- increase our commitment to welcoming and forming lay leaders;
- actively encourage and support young adult lay leaders;
- provide better financial support for students and address the debt load of first-call pastors;
- help leaders understand and adopt new leadership models and cultures; and
- support lifelong learning and make continuing education a requirement of roster status.

*A diverse leader profile* – The ELCA should be more intentional in recruiting leaders that reflect the context and demography of different communities and the church the ELCA wants to become. Concerns were raised about pigeon holing “ethnic” leaders and setting pastors up to fail through placement in congregations they are not well-equipped to serve.

*Collaborative and accountable leaders* – The ELCA needs a collaborative and relational model of leadership through which leaders exercise shared responsibility. We need leaders equipped to work and serve together, who understand their accountability is to the gospel, which means, in turn, accountability to those we serve, to our ecclesial structures and our partnerships in ministry.

### **A church serving people affected by hunger, poverty, disasters, conflict and violence**

Discussions, without exception, gave very high importance to the ELCA’s service and advocacy to alleviate poverty and work for justice, peace and reconciliation in local communities and nationally and globally.

This covers a very broad sweep of ministries and activities, and it is one area that connects the ELCA as church together in God’s mission. Mentioned as past achievements and important for the ELCA’s unfolding future were: ministry as part of daily life, service in local communities, social service ministries

in the U.S., the ELCA's hunger and malaria campaigns, responding to disasters and humanitarian crises, calling out racism and violence, and building bridges for peace and reconciliation with our ecumenical and interfaith partners.

In the current national and global context, there were calls for the ELCA to be a source of light and hope in a fearful, hostile world and play a more visible advocacy role on behalf of vulnerable and marginalized people, including immigrants and other people experiencing discrimination.

### **Faith formation and discipleship**

Faith formation from birth and over the life cycle was emphasized, as was a focus on discipleship training and support. A "back to basics" call was expressed in relation to faith formation, discipleship and developing Christian communities. A focus on faith formation and discipleship means always considering why we do what we do as a church. As people of faith, we want to be able to share our witness with others as well as deepen our own understanding of what it means to follow Jesus today. This church should continue to focus on deepening individual faith, spiritual practices, prayer, worship and service. Faith formation and discipleship are also core to who we are as church together. Biblical and theological literacy are seen to be extremely important, as is becoming conversant with the gospel and its meaning in daily life.

### **Youth and young adults**

Youth and young adults were identified as important in all of the priority areas identified so far – in current and future leadership, for revitalization of congregations – because there is no future without young people joining the ELCA and because young adult ministries are currently highly valued and have a positive impact in U.S. communities and in other countries. This includes the ELCA Youth Gathering, Young Adults in Global Mission, Youth Mentors, colleges and universities, and outdoor and campus ministries, to name but a few.

Younger people contributing to Called Forward Together in Christ pointed to a gap between intentions and progress being made. The ELCA wants to be a church that younger people are drawn to – as disciples and leaders – but congregations and ministries may not be experienced as welcoming or relevant in their daily lives. There is some evidence that young people of today are less likely to come to this church through family as they may have in the past. They will connect via multiple pathways as they search for meaning, spirituality and ways to make a difference in their world. College is a critical time both for young adults born into this denomination and for young people who have not been part of a church. It offers space for reflection, making choices about churches that fit their values and otherwise seeking spiritual meaning in their lives.

The ELCA's previous research and Called Forward Together in Christ suggest young adults want the ELCA to be a publicly engaged church that is concerned about justice in the world. A further message was that the ELCA needs to tell its story and the story of Lutheran theology better to reach a broader and more diverse audience.

Young adults are generally more mobile than their parents and have high demands on their time and finances. As they juggle the demands of work, education or (for some) unemployment, they will look for and value flexibility in the ways they can connect to church and participate in worship and ministry.

There were also calls for a renewed emphasis on children and young families in the way the ELCA spreads the gospel, provides biblical foundations and builds awareness of God's presence in their daily lives.

## Church structures and relationships

Called Forward Together in Christ invited reflection on whether the current structures of the ELCA are right for the future, as did the LIFT Taskforce. This question was discussed in a direct way by the Conference of Bishops and the Church Council and was explored in a range of other conversations and through the survey of lay and rostered leaders. The messages here were mixed, but some important themes did surface.

Connectivity across expressions of the ELCA has been a persistent theme in discussions. Congregations, synods and the churchwide organization all feel cut off from each other.

Many see the current structure as cumbersome and not geared to achieving a growing, courageous and agile church. The church polity is also seen to be challenging, and some would say the current mix of autonomy and interdependence is not serving this church well. Decision making is slow, communication and information sharing can be challenging, and the lack of formal lines of authority means reform of the ELCA is difficult to mobilize.

Recognizing that it is hard to conceive of this church without congregations, synods and some form of churchwide or national office, some see value in revisiting where roles and responsibilities sit and how resources might be better aligned to these roles. Revisiting the roles, number, boundaries and resourcing of synods was one area specifically identified, including at the Conference of Bishops meeting. However, there is no strategic framework at present to guide such a review. And the autonomy of synods means if individual reforms proceed they may not serve the interests of this church as a whole as well as they could if the reform were coordinated.

The survey of lay and rostered leaders confirms other research that shows the churchwide organization is not well understood by congregations. Its role in relation to campaigns for hunger, disasters and malaria is known, as is its role in some ministries (e.g. Global Mission and young adults) and supporting churchwide governance. However, other roles are less visible or known, and it appears the churchwide organization is perceived by congregations to have more authority than it actually has.

Many congregations are asking for more support and resources to make the changes expected by the wider church (diversity, growth, responding to needs in their communities). There continues to be an expectation from congregations that the churchwide organization should provide the resources and materials needed to support evangelism, faith formation and worship. In the current structure, this is the responsibility of the publishing house of the ELCA, Augsburg Fortress, (now known as 1517 Media). But perceptions are everything, and this leaves congregations feeling the churchwide organization is not serving them as well as it should.

Other messages were:

- The traditional “geographic” structure of congregations may not be right for the future (church and worship need to take new forms).
- Networks are critical to the ongoing life and work of the church (some would say as important as the formal expressions and institutions).
- Defining three expressions ignores the importance of the household and the significant role and contribution of other parts of the ELCA, which have been thought of as the “wider ecology.”
- The Church Council, the Conference of Bishops and leaders in the churchwide organization need processes that support joint leadership and common direction on important matters.

Structure, of course, is not the whole story. Most conversations emphasized the importance of relationships, connectivity, collaborative leadership, effective communication and clear vision as drivers

for the ELCA becoming the church it seeks to be and overcoming the challenges detailed earlier in this paper.

### Stewardship of resources

Declining Mission Support and the implications of this for congregations, synods, the churchwide organization and ELCA ministries has been a concern and the subject of strategic work over many years. In 2012, a Mission Funding Taskforce prepared a report and proposal for the Conference of Bishops that was not endorsed. The task force decided not to forward the proposal to the Church Council. It reported to the November 2012 Church Council meeting that the current Mission Support system remained in effect. In 2014, a Bishop's Think Tank on Mission Funding was appointed. The think tank reported to the ELCA Church at its April 2015 meeting. Key items approved by the Church Council include:

- affirming the presiding bishop's intent to convene a team to generate recommendations to sharpen this church's priorities (Called Forward Together in Christ and the Future Directions Table are the implementation of this item.);
- replacing the present reporting form of synodical Mission Support;
- developing a contextually sensitive Mission Support consultation process;
- assessing staffing needs for the Mission Support function in the churchwide organization;
- endorsing multiple streams of income as sources for Mission Support;
- assessing current and prospective resources to assist congregations and synods in the Mission Support consultation process; and
- affirming a three-year Mission Support experiment for five synods beginning in 2016.

Called Forward Together in Christ again highlighted concerns about a declining funding base and the proportion of resources tied up in property and other assets. Sustainability of the ELCA is a far broader concept than financial resources and capital assets. However, the fact that there is no long-term whole-church strategy to manage how Mission Support is increased and distributed in line with the roles and expectations of congregations, synods and the churchwide organization and church priorities is of concern. Many feel a new approach is needed – that it may be time to reassess the longstanding nexus between membership and the Mission Support funding model that has operated. Coming up with a new strategy in this area may be one of the greatest challenges for church leaders who, as is to be expected, see they have a duty to protect and look after their constituencies.

## 5.2 LIVING IN THE TENSIONS

Lutherans are comfortable living with ambiguity and uncertainty. This is a strength when it comes to being church in an increasingly complex world. The Called Forward Together in Christ conversations highlighted some specific tensions about “how” this church achieves change and moves forward together.

- ◆ We want to thrive and grow, and congregations are central in this. Yet we do not know how to achieve this, and it is not clear where the leadership and resources will come from to make it happen.
- ◆ Many people fear that too much evangelizing or evangelizing in new ways will compromise who we are by engaging the wrong folk – the spiritual-but-not-religious. In general, there is both fear of change and fear of the consequences of NOT changing.
- ◆ We are a church with rich traditions and a church being made new every day. We seek to be a broad church, and some would like to see the ELCA become a progressive religious alternative to evangelical conservative Christianity. Yet this view is not shared by a significant number of our congregations.
- ◆ We have a precious gift in the eyes of younger people who are part of the ELCA, yet we struggle to attract young people. How can we be seen as more relevant and responsive to their hopes and needs?

- ◆ Are we “one church” or a church with many separated parts? How we do get the right balance between autonomy, interdependence and being church together? Is it clear what authority and decisions rest with our leadership tables and governing structures, and are they willing to come together around some whole-church priorities?
- ◆ Finally, there are important choices to make: Church leaders must come together to forge the future path God is calling us to, knowing there will be supporters, detractors and others who choose to stay on the sidelines. Is this what being a bold or courageous church means? The Future Directions Table was keen to see that living with tension does not become an excuse for not making hard decisions.

### 5.3 TESTING THE WATER ON EMERGING PRIORITIES

In this section we propose priorities that appear to have broad support across this church as a basis for further work on a Future Directions Statement. These are very much based on the feedback from conversations and the structured discussions at recent meetings of the ELCA Church Council and the Conference of Bishops, which were well aligned on the issues explored and conclusions reached. The priorities are identified under three headings: *The church the ELCA is becoming, our most important ministries, and church leadership and sustainability.*

Without strategies these priorities will be hollow – on the other hand you can’t develop strategies until you decide what you want to achieve and what is most important. In reviewing these priorities, trust that a body of work will follow on HOW we move them forward.

#### Proposed priorities for the ELCA to 2021

##### The church ELCA is becoming

- ◆ The ELCA is growing, thriving and more connected across the U.S. and the Caribbean.
- ◆ We are an inclusive church that reflects the diversity in U.S. society today.
- ◆ We are a visible church deeply engaged in public witness and service for the sake of justice, peace and reconciliation in the U.S. and the world.

##### Our most important ministries

- ◆ Worship, word and sacraments
- ◆ Faith formation and discipleship
- ◆ Formation, education and development of lay, lay rostered and ordained leaders
- ◆ Youth and young adults
- ◆ Domestic and global ministries addressing poverty, inequality, disasters, violence and peace building

##### Church leadership and sustainability

- ◆ Relationships among leaders of this church are deepened, and the ELCA’s governing bodies provide visionary and collaborative leadership in the interests of the whole church.
- ◆ Resources for mission are growing and distributed in line with future roles and expectations of congregations, synods and churchwide ministries and within a framework of priorities for the whole church.

## 5.4 IMPLEMENTING PRIORITIES ACROSS THIS CHURCH – WHAT WILL IT TAKE?

As stated earlier, these priorities may not look new. What is new is that we are going to ask the Church Council and Conference of Bishops to affirm some priorities for the whole church and take responsibility, with others, for working on the broad strategy in these areas.

The big challenges and priorities articulated in this paper cannot be led or managed in a piecemeal way. Decision-making at different levels and in different institutions should be aligned in some way to the broader aspirations and goals of this church – to what God is calling the ELCA to be. In its second year, Called Forward Together in Christ can and should be a “call” to get behind the ELCA’s future directions as a Christ-centered, growing, joyful and sustainable church. And potentially, when the call to participate in problem solving and evolution of this church falls on deaf ears, should there be some accountability or consequence for those standing on the sidelines or those who block change.

When asked what it will take, the Church Council and Conference of Bishops identified these elements:

- ◆ commitment and ownership of the directions and priorities among the ELCA’s main leadership tables;
- ◆ building relationships and trust between ELCA leadership groups and structures, including those beyond the three expressions where they carry major responsibilities for the priorities identified (e.g. ELCA’s colleges and seminaries);
- ◆ a collaborative model of national, regional and local leadership with clearer delineation of roles in decision-making and strategy on behalf of this church;
- ◆ more gatherings and networks that bring people together for spiritual discernment, future planning, problem solving and learning exchange;
- ◆ a more diverse leadership fulfilling this church’s mission within the tension of legacy, evolution and innovation;
- ◆ making hard decisions, reducing practices directed at self-preservation and letting some things die – and putting resources where regeneration and renewal are likely or possible; and
- ◆ finding ways to recognize, celebrate and communicate where positive change happens.

### Your feedback

We welcome your feedback on the priorities proposed above and how the ELCA can effectively carry those priorities forward.

If we have got this right, they will be priorities that can inform and be reflected in congregational mission plans, synod strategic plans, churchwide organization plans and strategic plans of other institutions and ministries.

We want a Future Directions Statement that invites leaders across this church to join the effort that will be needed to achieve our shared goals.

If endorsed by the Church Council in November, serious consideration will be given to the implications of these priorities and to having implementation plans that clarify what needs to happen, who is responsible, what we will do less of and how we will measure progress.

# Future Directions Table members

**Presiding Bishop Elizabeth Eaton**

Chicago, Illinois

**Bishop Jon Anderson**

Redwood Falls, Minnesota

**The Rev. Irma Banales**

Garland, Texas

**Bishop Tracie Bartholomew**

Hamilton Square, New Jersey

**Dr. Allan Bieber**

Rochester, Minnesota

**Matt Bishop**

Ann Arbor, Michigan

**The Rev. Tiffany Chaney**

Montgomery, Alabama

**Randall Foster**

Carson, California

**The Rev. Vicki T. Garber**

Lakeside Park, Kentucky

**The Rev. Dan Gerrietts**

Mason City, Iowa

**Dr. Javier Goitía**

San Juan, Puerto Rico

**Raphael Graybill**

Billings, Montana

**The Rev. Stephen R. Herr**

Gettysburg, Pennsylvania

**The Rev. Connie A. Miller**

Silver Spring, Maryland

**The Rev. Dr. Cheryl S. Pero**

Chicago, Illinois

**David Trost**

Billings, Montana

CONSULTANT

**Lyla Rogan**

RESOURCE PERSON

**Pamela Czarnota**

CHURCHWIDE ORGANIZATION STAFF

**The Rev. Dr. Wyvetta Bullock**

**Dr. Kenneth Inskeep**

**Mary Ann Schwabe**

**Sonia Hayden**



Called Forward  Together in Christ

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ELCA Church Council  
November 10-13, 2016



Evangelical Lutheran Church in America  
God's work. Our hands.



# Overview of sessions

Wednesday

Introduction

- Update on the process
- Initial feedback on draft strategy
- Reflection on Council's role in implementation

Saturday

Main discussion session

- Reviewing the draft strategy
- Taking the strategy forward – ideas concerning leadership and implementation of the strategy

Sunday

Action/decisions

- Approving the ELCA Strategy 2017-25
- Taking the strategy forward



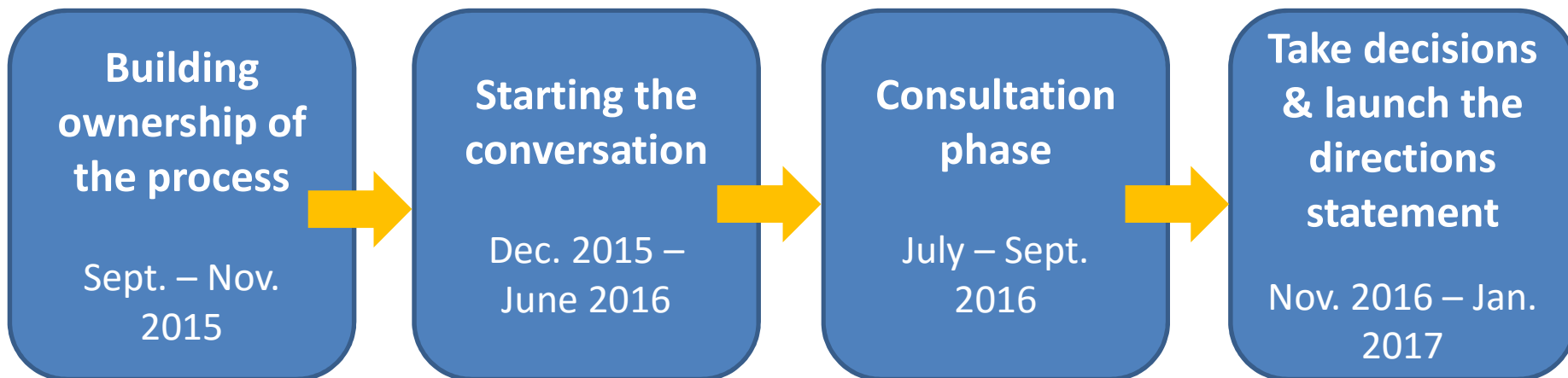
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# To assist in the process

- Small group to listen to Council discussion, refine the draft strategy and develop the recommendations on the way forward.
  - Stephen Herr, Allan Bieber, Liz Eaton, Bill Gafkjen and 2 other Council members (to meet Saturday after Council session finishes)
- Small group to identify biblical references:
  - Vicki Garber , another Council member and Marcus Kunz



## Process overview



Information pack, toolkit and surveys

Directions Paper

Draft Statement



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# Called Forward Together in Christ

## What we were aiming for

- A way to speak in a more consistent and accessible way about who we are as a Lutheran church
- A statement affirming directions and high level priorities that positions the ELCA for the future
- Ownership by Council and church leaders
- A framework to guide different levels of planning and decision making
- More than words on paper – energy and momentum to move forward



# Taking a reading

How well does the draft strategy reflect what we understand this church holds to be important?

- Where has the Future Directions Table got it broadly right?
- Flag the issues or questions that would benefit from Council discussion on Saturday



## A directional statement for the ELCA

How should we think about “priorities”

- Who needs to own them?
- Are there too many?
- What does collaboration and shared leadership around common priorities mean in ELCA’s context?



# Buzz groups

- What might the directional statement offer as a framework for governance by church Council
  - How might it help?
  - How might it be used?



# Governance – core roles





## Answering the fundamental questions

- **Who owns this?**
  - Church Council and its committees
- Who needs to own it for the strategy to have an impact across this church? (basis for collaborative leadership)
  - Conference of Bishops
  - Churchwide Administrative Team/Organization
- Who do we want to embrace and use it as a reference in shaping their own plans (to influence congruence in effort and use of resources)
  - Leaders across this church (lay and ordained, in synods, in churchwide and other agencies)
  - Synod Councils and other Boards (separately incorporated ministries, social ministries, colleges and seminaries etc)



# Who is the audience?

Primarily internal – for this church

- First tier – (key to it being used and having impact)
  - Bishops
  - Lay and ordained leaders
  - Senior leaders in churchwide organization
  - Leaders in ministries and agencies connected with ELCA
  - Boards across this church
- Second tier (communication - who we are and what we hold to be important)
  - Members and participants in this church
  - Our ecumenical partners and companion churches
  - Other entities/relationships that are important for this church

Also has communication value for wider audience – targeted approach



## What job is it doing

- Provides a framework for:
  - Discussion and decision making by Church Council and committees (*strategic focus and use of resources*)
  - Alignment of decision making and focus across formal leadership tables (*pulling in the same direction*)
  - A basis for collaboration and joint work in areas of importance to the whole church (*developing strategies, sharing experience and learning*)
  - More consistent messaging - who we are and what is important for the whole church in the years ahead. (*unity and connectedness*)



# Critical for today

While this is a workshop style session

- Council members come to the task as decision makers
- Think in terms of what's important for the whole church
- Trust that the experience and wisdom is in the room
- Perspectives from liaison bishops and guests welcomed
- Help this work, suspend questions that have been answered

Live the value - “Courage and openness to change”

And ..... know thyself if a pedant!



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# Overview – ELCA's future directions

## Our identity as church

### Who we are

- We are church
- We are Lutheran
- We are church together
- We are church for the sake of the world.

- What unites us

- Shared purpose and vision
- Our values
- Our most important ministries

## Our goals for the church we are becoming

1. A thriving church spreading the gospel and deepening the faith for all people
2. A church equipping people for their baptismal vocations in the world and this church
3. An inviting, inclusive church that reflects the diversity in our communities and embraces the gifts and opportunities that diversity brings
4. A visible church deeply committed to working ecumenically and with other people of faith for justice, peace and reconciliation in communities and around the world
5. A well-governed, connected and sustainable church



- We take the structure of the draft as a given and focus on the content
  - Does it reflect the church we want to become?
  - Does it give us the strategic focus that we need?



# Reviewing the draft strategy 2017-25

Focusing on the “Who we are” and “What unites us as church” sections

What is working?

What needs review? How to strengthen?

- Because more clarity is needed
- Because something important is missing
- Because what is there is unhelpful/could be strengthened



# Process guidance

In the interests of time could some groups start with “who we are” and others with “what unites us”

- Have the discussion about what is working and what should be revisited
- Use the recording sheet to summarise the **group's** feedback (avoid listing individual comments)
- Where you want change – say why, offer something that helps the discernment group revisit the draft





## Reviewing the draft strategic directions contd.

- Staying with your group .....now look to the goals and priority areas for action
- In making suggestions for change or additions, we ask you to briefly provide the rationale for your suggestion.

A separate recording sheet is on the table.



# After the break

- We will discuss taking the directions forward

Please go to your newly assigned table



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# Taking the strategic directions forward

Picture a point down the track when the strategic directions statement is embedded and working as a guiding framework for the Church Council and other leadership tables or gatherings?

## Discuss

- What has changed?
  - How was the change achieved?
  - What does this tell us about what needs to happen in the next two years?
- 
- Bring back 3 or 4 ideas your group was excited by (record on separate coloured post-its so we can quickly group and display these)



# Year one of implementation

- Map possible steps for implementing this strategy in 2017
- Think about
  - How it might be launched
  - A communication strategy
  - How this is serving Presiding Bishop Eaton's leadership
  - Council meetings and the spring retreat
  - COB meetings
  - Rostered leaders gathering
  - Use of strategic forums /gatherings of the church
  - Churchwide organization planning
  - Planning for Synod Assemblies and the next Churchwide Assembly
- Come up with a 6 point plan that the discernment group can consider!





# CALLED FORWARD TOGETHER IN CHRIST

ELCA Strategic Directions 2017-2025

DRAFT 4 November 2016

For discussion at the ELCA Church Council meeting



**Evangelical Lutheran Church in America**

God's work. Our hands.

[future@elca.org](mailto:future@elca.org)

## Foreword

Symbolically and strategically it would be great to have a foreword jointly signed by Presiding Bishop Eaton, Bishop Gafkjen, chair of the Conference of Bishops, and William Horne, ELCA vice president. This would help communicate joint commitment and the importance of shared leadership responsibility.

This could be written together after the Church Council discussion.

DRAFT

## Introduction

The Evangelical Lutheran Church in America (ELCA) is one of the largest Christian denominations in the United States, with more than 3.8 million members in nearly 10,000 congregations across the 50 states and in the Caribbean region. The ELCA formed in 1988 through a merger of three Lutheran churches – The American Lutheran Church, the Association of Evangelical Lutheran Churches and the Lutheran Church in America. However, the ELCA proudly traces its roots back through the mid-17th century, when early Lutherans came to America from Europe, settling in the Virgin Islands and the area that is now known as New York. Well before that, Martin Luther, along with others, sought reform for the church in the 16th century, laying the framework for our beliefs.

### A church always being made new

In 2017 the ELCA, together with Lutherans around the world, will observe the 500th anniversary of the Lutheran Reformation. This significant milestone provides an opportunity for this church to look back with joy to our deep theological roots and faith traditions, on our history of being a reformed and reforming church and to a future filled with abundant hope and possibilities.

Propelled by commitment to the ELCA's Lutheran heritage and to being a community of faith that is always forming and being renewed, the presiding bishop, Church Council and Conference of Bishops initiated Called Forward Together in Christ in late 2015. The process sought to engage the ELCA in conversation about future directions so that the Church Council might reach decisions that help this church journey faithfully and more effectively together in the years ahead.

### Strategic focus rather than radical departure

Participants in Called Forward Together in Christ – from congregations, synods, the churchwide organization and a wide range of ELCA ministries – resoundingly lifted up similar hopes, concerns and ideas about what should be given importance. The goals and priorities that emerged are not entirely new. They reflect what many in the ELCA already see to be important and draw from other discussions in recent years on ELCA's strategic direction, especially Living into the Future (LIFT).

The statement provides a strategic focus for leadership around shared aspirations and common challenges. Throughout the process to discern priorities, it was evident that effective strategies to realize goals and address challenges are often not clear and that flexibility will be needed to interpret goals in different contexts. Because of this, many people voiced a desire for continued broad engagement in how the priorities will be implemented.

### A framework for collaboration and leadership

In affirming these directions, the ELCA Church Council recognizes the importance of the ELCA's leaders coming together to further shape and take forward strategies to achieve the goals. The statement provides a framework to invite and inform strategic conversation and planning in congregations, synods, the churchwide organization, social ministries, colleges and universities, and Lutheran agencies and institutions. The statement is **for** this church while recognizing it can never be a directive **to** the whole church, which is a complex part of the body of Christ, made up of many independent and interdependent expressions and ministries.

The presiding bishop, Church Council and the Conference of Bishops believe the statement provides a basis for stronger collaboration and decision-making in stewarding the ELCA's directions and resources.

## Our strategic directions

The ELCA's Strategic Directions 2017-2025 are presented in three parts:

- The ELCA – who we are
- What unites us as church
- The strategic directions – goals and priorities for the church we are becoming.

Together they tell the story of the church we are becoming – a church that is confident about who we are in Christ and what God is calling us to do.

### 1. The ELCA – who we are

Called, gathered and sent into the world to embody the good news of Jesus' death and resurrection, we exist to be a reforming, renewing and reconciling expression of God's grace through life-giving relationships and communities of worship, mercy, justice and service.

#### We are church

We are what God has made us – people whom God has created by grace to live in union with Jesus Christ and has prepared to live faithful, fruitful lives by the power of the Holy Spirit (Ephesians 2:8-10). In Jesus Christ, God has reconciled us to God and to each other. This life in Christ is what defines, shapes and guides us as a community of faith, the church.

By God's grace we can and do live confidently and generously in this community of faith and in service of others, amidst the mysteries and paradoxes of this life in Christ – including our human limitations and failings, and the ambiguities, uncertainties and suffering that we experience.

#### We are Lutheran

We are a church that walks by faith, trusting God's promise in the gospel and knowing that we exist by and for the proclamation of this gospel word. We proclaim Jesus Christ crucified and raised from the dead for the life of the world. As the apostle Paul wrote (Romans 1:16-17), and we echo in our Constitution (2.02), we are not ashamed of this gospel ministry because it is God's power for saving all people who trust the God who makes these promises.

God's word, specifically God's promise in Jesus Christ, creates this liberated, confident and generous faith. God gives the Holy Spirit who uses gospel proclamation – in preaching and sacraments, in forgiveness and in healing conversations – to create and sustain this faith. As a Lutheran church, we give central place to this gospel message in our ministry.

We understand to be Lutheran is to be ecumenical – committed to the oneness to which God calls the world in the saving gift of Jesus Christ, recognizing the brokenness of the church in history and the call of God to heal this disunity.

#### We are church together

Just as God has joined us to the death and resurrection of Jesus Christ in baptism, we are also joined to others, not only in the ELCA and The Lutheran World Federation (LWF), but in all communities of Christian faith around the world. In Christ none of us lives in isolation from others. Jesus is our peace and has broken down the walls that divide us – walls of judgment, hatred, condemnation and violence – and has made us



into one, new human community (Ephesians 2:14-15). This spiritual communion depends only on God's mercy that comes to us in the word and sacraments. That alone is enough for unity, and so we yearn for this communion with all Christians at the Lord's table.

Because God gives us our unity in Christ, we are able to see and respect the diversity within Christ's body. We receive it as a gift and embrace it, rather than treating it as a threat or a problem to be solved (1 Corinthians 12:12-13). We respect and honor the diversity of histories, traditions, cultures, languages and experiences among us in the ELCA and in the larger Christian community of faith. We seek full participation of all in the life and work of this church and will strenuously avoid the culture of any one group becoming the norm for all in the ELCA. And we strive to address the ways that racism, sexism and other forms of injustice limit participation and harm people, communities and the whole body of Christ.

In all these relationships the ELCA serves reconciliation and healing with other Christians, while repentantly acknowledging its failings and wrongs, trusting in God's forgiving mercy.

## We are church for the sake of the world

Christ has freed us from sin and death, even from ourselves, so that we can live as ministers of reconciliation in loving and generous service of our neighbors (2 Corinthians 5:17-18). In Jesus Christ, all of life – every act of service, in every daily calling, in every corner of life – flows freely from a living, daring confidence in God's grace.

Freed by the transformative life of Christ, we support ELCA members as they give themselves freely in transforming service with the neighbor. Through a wide range of daily vocations and ministries, we nurture faith, build alliances and gather resources for a healed, reconciled and just world. As church together, we faithfully strive to participate in God's reconciling work, which prioritizes disenfranchised, vulnerable and displaced people in our communities and the world. We discover and explore our vocations in relation to God through education and moral deliberation. We bear witness to the love of God in Jesus Christ through dialogue and collaboration with ecumenical partners and with other faiths. In all these ministries God's generosity flows through us into the life of the world.

## 2. What unites us as church

### Our shared purpose

*Together in Jesus Christ we are freed by grace to live faithfully, witness boldly and serve joyfully.*

### Our vision

*A world experiencing the difference God's grace and love in Christ makes for all people and creation.*

### Our values

Our values are grounded in faith, in our biblical and Lutheran confessional sources and our love of God and neighbor. They speak to the way this church lives and practices our faith, and they will guide how we journey forward in Christ as church together.

**Forgiveness and reconciliation** – We are reconciled to God by God's forgiving mercy. Forgiveness and reconciliation flow from what God has made us to be in Jesus Christ and what God is doing with us in the

world. As a people of God, we embody forgiveness in speech, action and relationships. and our ministry in reconciliation is foundational.

**Dignity, compassion and justice** – Each person is created in God’s image. We respect this God-given right to dignity and, inspired by the life of Jesus, show love and compassion for all people. Through proclamation of the gospel, through worship and as servants of God working for healing and justice in the world, we uphold and seek to protect the dignity and human rights of all people.

**Inclusion and diversity** – As Christ’s church, we value the richness of God’s creation and offer a radical welcome to all people, appreciating our common humanity and our differences. We strive to be a church that does not view diversity as a barrier to unity. At the same time we recognize and will challenge dynamics of power and privilege that create barriers to participation and equity in this church and society – for women, people of color, minority ethnic groups, people with disabilities and the LGBTI community.

**Courage and openness to change** – Because we trust in God’s promise and understand faith to be a living, daring confidence in God’s grace, we are emboldened to embrace learning and change in our spiritual and institutional journey as church. This means we are open to new ways and willing to take risks to discover God’s plan for this church.

**Faithful stewardship of God’s creation and gifts** – As church together, faithful stewardship is about holding to God’s purpose and ensuring the responsibilities and resources that God has entrusted to us are used with great care and with accountability to God, to each other and those served by this church.

### [Our most important ministries as church together](#)

In today’s competitive society that creates unrealistic expectations of finding worth through human accomplishments, the most important ministries of this church in the years ahead are:

**Worship, word and sacraments** – a church gathered around worship experiences that are meaningful, authentic and responsive to community contexts

**Faith formation and discipleship** – a church grounded in the Lutheran confessions inspiring biblical and theological literacy, gospel fluency and daily vocation and ministry through shared experience and life-long learning

**Leadership development** – formation, education and continuing development and care of lay leaders and rostered ministers leaders

**Children, youth and young adults** – engaging and affirming children, youth and young adults as an integral part of this church, now and for the future

**Ministries addressing human suffering and injustice** – the whole church informed and actively utilizing our many gifts in witness and service in response to human need in our communities, countries and the world

### 3. Our goals and priorities

The goals and priority areas for action set out here are based in a shared trust and hope that the future is in God's hands.

They express what this church has collectively said is important into the future. Identifying priority areas for action provides a focus for shared leadership of this church so it can be more effective in serving God's mission and attending to institutional challenges that stem from being church today.

The "why" of our goals is in the gospel, in the life, death and resurrection of Jesus and deeply embedded in our Lutheran theology and traditions.

In a radically individualistic and competitive society, we seek to create and sustain life-giving relationships and communities that connect us to God and to one another.

In a society that is changing and increasingly secular and a world facing continuing interreligious and national tensions, we seek to proclaim the gospel and share the story of Jesus as a source of hope, inclusion, peace and reconciliation.

In a world that misuses power and authority and struggles with conflict and growing inequality, we seek to follow Jesus who publically spoke up for those who were oppressed and marginalized.

#### *The church we are becoming*

- 1. A thriving church spreading the gospel and deepening the faith for all people*
- 2. A church equipping people for their baptismal vocations in the world and this church*
- 3. An inviting, inclusive church that reflects the diversity in our communities and embraces the gifts and opportunities that diversity brings*
- 4. A visible church deeply committed to working ecumenically and with other people of faith for justice, peace and reconciliation in communities and around the world*
- 5. A well-governed, connected and sustainable church*

#### Goal one: A thriving church spreading the gospel and deepening the faith for all people

##### Priority areas for action

- ❖ **Church identity** – Develop a deeper and more shared understanding of who we are as a Lutheran church and equip leaders and all the baptized to communicate our theology and beliefs in accessible and compelling ways.
- ❖ **Reclaiming evangelism** – Renew and strengthen evangelism through all expressions of this church, and foster new approaches to evangelism that are compatible with being Lutheran and generationally, culturally and contextually relevant and effective.
- ❖ **Equipping leaders as evangelists** – Educate lay leaders and rostered ministers in evangelism and build their confidence to reach out in their communities and tell people about Jesus.
- ❖ **Renewal and formation of congregations and worship communities** – Continue to support and empower congregations and communities of worship through mission planning and development, encouraging a culture of deepening faith, hope and openness to change.

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*Biblical reference relevant to goal*

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## Goal two: A church equipping people for their baptismal vocations in the world and in this church

### Priority areas for action

- ❖ **Baptismal vocation** – Form and equip the baptized to express their faith and live and witness as followers of Jesus in the world and this church.
- ❖ **Faith formation and practice** – Support and resource life-long faith formation and practice – within households, workplaces and communities – and share across this church the approaches that deepen faith and bring Jesus into people’s daily lives.
- ❖ **Youth and young adults in mission** – Provide space, support and opportunities for youth and young adults to participate in ministries and take up vocational pathways they are called to.

## Goal three: An inviting, inclusive church that reflects the diversity of our communities and embraces the gifts and opportunities that diversity brings

### Priority areas for action

- ❖ **An outward facing church** – Develop capacities of people in congregations and communities of worship to actively reach out to people in their neighborhoods through relationships, in service and with an openness for mutual learning. 

---

*Possible biblical reference on inclusion*  
*1 Cor. 12; Ephesians 2:14-20; Acts 10*

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- ❖ **Theological and cultural competence of leaders** – Build confidence and competence among lay and ordained leaders to provide an authentic welcome to people from different cultures and circumstances and embrace the ideas and experience they bring.
- ❖ **Church leadership profile** – Ensure the leadership profile of this church reflects the diversity that the ELCA aspires to and endeavor to match the gifts and experience of leaders to communities and ministries where those gifts are valued and able to be shared.
- ❖ **Calling out discrimination and oppression** – Equip leaders at all levels of the church to understand and speak out against discrimination based on race, gender, disability, sexual orientation and social status.

## Goal four: A visible church deeply committed to working ecumenically and with other people of faith for justice, peace and reconciliation in communities and around the world

### Priority areas for action

- ❖ **Poverty and hunger** – Continue to encourage and harness resources for local, national and global ministries to alleviate poverty and hunger and improve the way this church tells these stories of God’s work in the world – internally and externally. 

---

*Biblical reference relevant to goal*

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- ❖ **Response to disasters and humanitarian crises** – Continue to be a church supporting and taking action in local and international response to natural disasters, violence and conflict and assisting the growing number of people affected by displacement and forced migration.

- ❖ **Lifting up the work of ELCA related social ministries** – Build awareness across this church of the important work of ELCA-related social ministry organizations and understanding their work as central to the life of this church.
- ❖ **Advocacy and action on economic justice, racial justice, gender justice and climate justice** – Be a visible witness and agent of change for justice and creation care.

---

*Biblical reference relevant to goal*

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## Goal five: A well-governed, connected and sustainable church

### Priority areas for action

- ❖ **Leadership in governance** – Re-examine and strengthen governance of the ELCA to provide for clarity in roles and authority, strong leadership, improved ways of working and a culture of willing accountability.
- ❖ **Church structures** – Review church structures to ensure their fit with future needs of the ELCA, with a focus on responsibilities, functions and resourcing of synods and the churchwide organization and how best to support and resource congregations.
- ❖ **Church leaders** – Adopt a more strategic and coordinated approach to formation, education and continuing development of lay leaders and rostered ministers – ensuring they are theologically fluent, suited to lead in the church we are becoming and equipped vocationally for a wide range of contexts and ministries.
- ❖ **Resources for mission** – Develop and take forward a church strategy to grow resources for mission and ministry and ensure distribution and use of resources aligns with roles, expectations and priorities for the whole church.
- ❖ **Communication** – Improve communication across this church in support of proclaiming the gospel, new forms of evangelism, connecting the church as one part of the body of Christ and sharing success stories, experience and learning.

## 4. The journey ahead

*The section will deal briefly with how the directions statement will be taken forward, hopefully expressing an invitation from the Church Council to come on board! It will be written with the benefit of advice arising through the Church Council discussion.*

*Some messages that may be important:*

Throughout the conversation and discernment leading to this statement, the question quickly went to “how” priorities could be implemented in a way that genuinely honors the rich tapestry of contexts, understanding of the Scriptures, people, faith practices and ministries that make up this church. In response, the ELCA Church Council invites leaders across this church to embrace, interpret and implement the Called Forward goals in ways that respect and recognise the ELCA’s complexity and diversity.

At the same time, the presiding bishop and the ELCA's leadership tables – particularly the Church Council and the Conference of Bishops – have heard three important messages concerning taking these goals forward.

- A call for more strategic and coordinated churchwide leadership in some areas
- The importance of strong relationships among church leaders with oversight and influence with the whole ELCA
- The need to encourage a culture of inquiry, exchange, learning and openness to change across this church

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# CALLED FORWARD TOGETHER IN CHRIST

ELCA Strategic Directions 2017-2025

DRAFT 4 November 2016

For discussion at the ELCA Church Council meeting



**Evangelical Lutheran Church in America**

God's work. Our hands.

[future@elca.org](mailto:future@elca.org)

## Foreword

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DRAFT



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### A framework for collaboration and leadership

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- What unites us as church
- The strategic directions – goals and priorities for the church we are becoming.

Together they tell the story of the church we are becoming – a church that is confident about who we are in Christ and what God is calling us to do.

### 1. The ELCA – who we are

Called, gathered and sent into the world to embody the good news of Jesus' death and resurrection, we exist to be a reforming, renewing and reconciling expression of God's grace through life-giving relationships and communities of worship, mercy, justice and service.

#### We are church

We are what God has made us – people whom God has created by grace to live in union with Jesus Christ and has prepared to live faithful, fruitful lives by the power of the Holy Spirit (Ephesians 2:8-10). In Jesus Christ, God has reconciled us to God and to each other. This life in Christ is what defines, shapes and guides us as a community of faith, the church.

By God's grace we can and do live confidently and generously in this community of faith and in service of others, amidst the mysteries and paradoxes of this life in Christ – including our human limitations and failings, and the ambiguities, uncertainties and suffering that we experience.

#### We are Lutheran

We are a church that walks by faith, trusting God's promise in the gospel and knowing that we exist by and for the proclamation of this gospel word. We proclaim Jesus Christ crucified and raised from the dead for the life of the world. As the apostle Paul wrote (Romans 1:16-17), and we echo in our Constitution (2.02), we are not ashamed of this gospel ministry because it is God's power for saving all people who trust the God who makes these promises.

God's word, specifically God's promise in Jesus Christ, creates this liberated, confident and generous faith. God gives the Holy Spirit who uses gospel proclamation – in preaching and sacraments, in forgiveness and in healing conversations – to create and sustain this faith. As a Lutheran church, we give central place to this gospel message in our ministry.

We understand to be Lutheran is to be ecumenical – committed to the oneness to which God calls the world in the saving gift of Jesus Christ, recognizing the brokenness of the church in history and the call of God to heal this disunity.

#### We are church together

Just as God has joined us to the death and resurrection of Jesus Christ in baptism, we are also joined to others, not only in the ELCA and The Lutheran World Federation (LWF), but in all communities of Christian faith around the world. In Christ none of us lives in isolation from others. Jesus is our peace and has broken down the walls that divide us – walls of judgment, hatred, condemnation and violence – and has made us

into one, new human community (Ephesians 2:14-15). This spiritual communion depends only on God's mercy that comes to us in the word and sacraments. That alone is enough for unity, and so we yearn for this communion with all Christians at the Lord's table.

Because God gives us our unity in Christ, we are able to see and respect the diversity within Christ's body. We receive it as a gift and embrace it, rather than treating it as a threat or a problem to be solved (1 Corinthians 12:12-13). We respect and honor the diversity of histories, traditions, cultures, languages and experiences among us in the ELCA and in the larger Christian community of faith. We seek full participation of all in the life and work of this church and will strenuously avoid the culture of any one group becoming the norm for all in the ELCA. And we strive to address the ways that racism, sexism and other forms of injustice limit participation and harm people, communities and the whole body of Christ.

In all these relationships the ELCA serves reconciliation and healing with other Christians, while repentantly acknowledging its failings and wrongs, trusting in God's forgiving mercy.

## We are church for the sake of the world

Christ has freed us from sin and death, even from ourselves, so that we can live as ministers of reconciliation in loving and generous service of our neighbors (2 Corinthians 5:17-18). In Jesus Christ, all of life – every act of service, in every daily calling, in every corner of life – flows freely from a living, daring confidence in God's grace.

Freed by the transformative life of Christ, we support ELCA members as they give themselves freely in transforming service with the neighbor. Through a wide range of daily vocations and ministries, we nurture faith, build alliances and gather resources for a healed, reconciled and just world. As church together, we faithfully strive to participate in God's reconciling work, which prioritizes disenfranchised, vulnerable and displaced people in our communities and the world. We discover and explore our vocations in relation to God through education and moral deliberation. We bear witness to the love of God in Jesus Christ through dialogue and collaboration with ecumenical partners and with other faiths. In all these ministries God's generosity flows through us into the life of the world.

## 2. What unites us as church

### Our shared purpose

*Together in Jesus Christ we are freed by grace to live faithfully, witness boldly and serve joyfully.*

### Our vision

*A world experiencing the difference God's grace and love in Christ makes for all people and creation.*

### Our values

Our values are grounded in faith, in our biblical and Lutheran confessional sources and our love of God and neighbor. They speak to the way this church lives and practices our faith, and they will guide how we journey forward in Christ as church together.

**Forgiveness and reconciliation** – We are reconciled to God by God's forgiving mercy. Forgiveness and reconciliation flow from what God has made us to be in Jesus Christ and what God is doing with us in the world. As a people of God, we embody forgiveness in speech, action and relationships. and our ministry in reconciliation is foundational.

**Dignity, compassion and justice** – Each person is created in God’s image. We respect this God-given right to dignity and, inspired by the life of Jesus, show love and compassion for all people. Through proclamation of the gospel, through worship and as servants of God working for healing and justice in the world, we uphold and seek to protect the dignity and human rights of all people.

**Inclusion and diversity** – As Christ’s church, we value the richness of God’s creation and offer a radical welcome to all people, appreciating our common humanity and our differences. We strive to be a church that does not view diversity as a barrier to unity. At the same time, we recognize and will challenge dynamics of power and privilege that create barriers to participation and equity in this church and society – for women, people of color, minority ethnic groups, people with disabilities and the LGBTI community.

**Courage and openness to change** – Because we trust in God’s promise and understand faith to be a living, daring confidence in God’s grace, we are emboldened to embrace learning and change in our spiritual and institutional journey as church. This means we are open to new ways and willing to take risks to discover God’s plan for this church.

**Faithful stewardship of God’s creation and gifts** – As church together, faithful stewardship is about holding to God’s purpose and ensuring the responsibilities and resources that God has entrusted to us are used with great care and with accountability to God, to each other and those served by this church.

### [Our most important ministries as church together](#)

In today’s competitive society that creates unrealistic expectations of finding worth through human accomplishments, the most important ministries of this church in the years ahead are:

**Worship, word and sacraments** – a church gathered around worship experiences that are meaningful, authentic and responsive to community contexts

**Faith formation and discipleship** – a church grounded in the Lutheran confessions inspiring biblical and theological literacy, gospel fluency and daily vocation and ministry through shared experience and life-long learning

**Leadership development** – formation, education and continuing development and care of lay leaders and rostered ministers leaders

**Children, youth and young adults** – engaging and affirming children, youth and young adults as an integral part of this church, now and for the future

**Ministries addressing human suffering and injustice** – the whole church informed and actively utilizing our many gifts in witness and service in response to human need in our communities, countries and the world

### 3. Our goals and priorities

The goals and priority areas for action set out here are based in a shared trust and hope that the future is in God's hands.

They express what this church has collectively said is important into the future. Identifying priority areas for action provides a focus for shared leadership of this church so it can be more effective in serving God's mission and attending to institutional challenges that stem from being church today.

The "why" of our goals is in the gospel, in the life, death and resurrection of Jesus and deeply embedded in our Lutheran theology and traditions.

In a radically individualistic and competitive society, we seek to create and sustain life-giving relationships and communities that connect us to God and to one another.

In a society that is changing and increasingly secular and a world facing continuing interreligious and national tensions, we seek to proclaim the gospel and share the story of Jesus as a source of hope, inclusion, peace and reconciliation.

In a world that misuses power and authority and struggles with conflict and growing inequality, we seek to follow Jesus who publicly spoke up for those who were oppressed and marginalized.

#### *The church we are becoming*

- 1. A thriving church spreading the gospel and deepening the faith for all people*
- 2. A church equipping people for their baptismal vocations in the world and this church*
- 3. An inviting, inclusive church that reflects the diversity in our communities and embraces the gifts and opportunities that diversity brings*
- 4. A visible church deeply committed to working ecumenically and with other people of faith for justice, peace and reconciliation in communities and around the world*
- 5. A well-governed, connected and sustainable church*

#### Goal one: A thriving church spreading the gospel and deepening the faith for all people

##### Priority areas for action

- ❖ **Church identity** – Develop a deeper and more shared understanding of who we are as a Lutheran church and equip leaders and all the baptized to communicate our theology and beliefs in accessible and compelling ways.
- ❖ **Reclaiming evangelism** – Renew and strengthen evangelism through all expressions of this church, and foster new approaches to evangelism that are compatible with being Lutheran and generationally, culturally and contextually relevant and effective.
- ❖ **Equipping leaders as evangelists** – Educate lay leaders and rostered ministers in evangelism and build their confidence to reach out in their communities and tell people about Jesus.
- ❖ **Renewal and formation of congregations and worship communities** – Continue to support and empower congregations and communities of worship through mission planning and development, encouraging a culture of deepening faith, hope and openness to change.

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*Biblical reference relevant to goal*

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Goal two: A church equipping people for their baptismal vocations in the world and in this church

Priority areas for action

- ❖ **Baptismal vocation** – Form and equip the baptized to express their faith and live and witness as followers of Jesus in the world and this church.
- ❖ **Faith formation and practice** – Support and resource life-long faith formation and practice – within households, workplaces and communities – and share across this church the approaches that deepen faith and bring Jesus into people’s daily lives.
- ❖ **Youth and young adults in mission** – Provide space, support and opportunities for youth and young adults to participate in ministries and take up vocational pathways they are called to.

Goal three: An inviting, inclusive church that reflects the diversity of our communities and embraces the gifts and opportunities that diversity brings

Priority areas for action

- ❖ **An outward facing church** – Develop capacities of people in congregations and communities of worship to actively reach out to people in their neighborhoods through relationships, in service and with an openness for mutual learning. 

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*Possible biblical reference on inclusion*  
*1 Cor. 12; Ephesians 2:14-20; Acts 10*

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- ❖ **Theological and cultural competence of leaders** – Build confidence and competence among lay and ordained leaders to provide an authentic welcome to people from different cultures and circumstances and embrace the ideas and experience they bring.
- ❖ **Church leadership profile** – Ensure the leadership profile of this church reflects the diversity that the ELCA aspires to and endeavor to match the gifts and experience of leaders to communities and ministries where those gifts are valued and able to be shared.
- ❖ **Calling out discrimination and oppression** – Equip leaders at all levels of the church to understand and speak out against discrimination based on race, gender, disability, sexual orientation and social status.

Goal four: A visible church deeply committed to working ecumenically and with other people of faith for justice, peace and reconciliation in communities and around the world

Priority areas for action

- ❖ **Poverty and hunger** – Continue to encourage and harness resources for local, national and global ministries to alleviate poverty and hunger and improve the way this church tells these stories of God’s work in the world – internally and externally. 

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*Biblical reference relevant to goal*

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- ❖ **Response to disasters and humanitarian crises** – Continue to be a church supporting and taking action in local and international response to natural disasters, violence and conflict and assisting the growing number of people affected by displacement and forced migration.
- ❖ **Lifting up the work of ELCA related social ministries** – Build awareness across this church of the important work of ELCA-related social ministry organizations and understanding their work as central to the life of this church.

- ❖ **Advocacy and action on economic justice, racial justice, gender justice and climate justice** – Be a visible witness and agent of change for justice and creation care.

Goal five: A well-governed, connected and sustainable church

Priority areas for action

*Biblical reference relevant to goal*

- ❖ **Leadership in governance** – Re-examine and strengthen governance of the ELCA to provide for clarity in roles and authority, strong leadership, improved ways of working and a culture of willing accountability.
- ❖ **Church structures** – Review church structures to ensure their fit with future needs of the ELCA, with a focus on responsibilities, functions and resourcing of synods and the churchwide organization and how best to support and resource congregations.
- ❖ **Church leaders** – Adopt a more strategic and coordinated approach to formation, education and continuing development of lay leaders and rostered ministers – ensuring they are theologically fluent, suited to lead in the church we are becoming and equipped vocationally for a wide range of contexts and ministries.
- ❖ **Resources for mission** – Develop and take forward a church strategy to grow resources for mission and ministry and ensure distribution and use of resources aligns with roles, expectations and priorities for the whole church.
- ❖ **Communication** – Improve communication across this church in support of proclaiming the gospel, new forms of evangelism, connecting the church as one part of the body of Christ and sharing success stories, experience and learning.

#### 4. The journey ahead

*The section will deal briefly with how the directions statement will be taken forward, hopefully expressing an invitation from the Church Council to come on board! It will be written with the benefit of advice arising through the Church Council discussion.*

*Some messages that may be important:*

Throughout the conversation and discernment leading to this statement, the question quickly went to “how” priorities could be implemented in a way that genuinely honors the rich tapestry of contexts, understanding of the Scriptures, people, faith practices and ministries that make up this church. In response, the ELCA Church Council invites leaders across this church to embrace, interpret and implement the Called Forward goals in ways that respect and recognise the ELCA’s complexity and diversity.

At the same time, the presiding bishop and the ELCA’s leadership tables – particularly the Church Council and the Conference of Bishops – have heard three important messages concerning taking these goals forward.

- A call for more strategic and coordinated churchwide leadership in some areas
- The importance of strong relationships among church leaders with oversight and influence with the whole ELCA

- The need to encourage a culture of inquiry, exchange, learning and openness to change across this church

DRAFT





# DRIFT

## CALLED FORWARD TOGETHER IN CHRIST

ELCA Strategic Directions 2017-2025 13 November 2016  
discussion at the ELCA Church Council meeting

[future@elca.org](mailto:future@elca.org)



**Evangelical Lutheran Church in America**

God's work. Our hands.

## Foreword

Symbolically and strategically it would be great to have a foreword jointly signed by Presiding Bishop Eaton, Bishop Gafkjen, chair of the Conference of Bishops, and William Horne, ELCA vice president. This would help communicate joint commitment and the importance of shared leadership responsibility.

This could be written together after the Church Council discussion.

DRAFT

## Introduction

The Evangelical Lutheran Church in America (ELCA) is one of the largest Christian denominations in the United States, with more than 3.8 million members in over 9,000 congregations across the 50 states and in the Caribbean region. The ELCA formed in 1988 through a merger of three Lutheran churches – The American Lutheran Church, the Association of Evangelical Lutheran Churches and the Lutheran Church in America. However, the ELCA proudly traces its roots back through the mid-17th century, when early Lutherans came to America from Europe, settling in the Virgin Islands and the area that is now known as New York. Well before that, Martin Luther, along with others, sought reform for the church in the 16th century, laying the framework for our beliefs.

As a church deeply rooted in the scriptures, and in Christ, this church continues to be shaped by the changing face of our communities, by new migration patterns and national and global trends impacting religion and society.

In 2017 the ELCA, together with Lutherans around the world, will observe the 500th anniversary of the Lutheran Reformation. This significant milestone provides an opportunity for this church to look back with joy to our deep theological roots and faith traditions, on our history of being a reformed and reforming church and to a future filled with abundant hope and possibilities.

Propelled by commitment to the ELCA's Lutheran heritage and to being a community of faith that is always forming and being renewed, the presiding bishop, Church Council and Conference of Bishops initiated Called Forward Together in Christ in late 2015. The process sought to engage the ELCA in conversation about future directions so that the Church Council might reach decisions that help this church journey faithfully and more effectively together in the years ahead.

Strategic Directions 2025 is the outcome of that process. Participants in Called Forward Together in Christ – from congregations, synods, the churchwide organization and a wide range of ELCA ministries – resoundingly lifted up similar hopes, concerns and ideas about what should be given importance. The goals and priorities that emerged are not entirely new. They reflect what many in the ELCA already see to be important and draw from other discussions in recent years on ELCA's strategic direction, especially Living into the Future Together (LIFT)<sup>1</sup>.

Called Forward Together in Christ has delivered a strategic framework that will serve shared leadership across the ELCA to realize common aspirations and better face the challenges this church faces.

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<sup>1</sup> The Living into the Future Task Force (LIFT I, 2009-2011 and Lift II, 2011-2014)

## Our strategic directions

The ELCA's Strategic Directions 2017-2025 are presented in three parts: The ELCA – who we are: What unites us; Our strategic directions – goals and priorities for the church we are becoming. Together they tell the story of the church we are becoming – a church that is confident about who we are in Christ and what God is calling us to do.

### 1. The ELCA – who we are

Called, gathered and sent into the world to embody the good news of Jesus' death and resurrection, we exist to be a reforming, renewing and reconciling expression of God's grace through life-giving relationships and communities of worship, mercy, justice and service.

#### We are church

We are what God has made us – people whom God has created by grace to live in union with Jesus Christ and has prepared to live faithful, fruitful lives by the power of the Holy Spirit (Ephesians 2:8-10). In Jesus Christ, God has reconciled us to God and to each other. As we gather around word and sacraments, this life in Christ is what defines, shapes and guides us as a community of faith, the church.

By God's grace we can and do live confidently and generously in this community of faith and in service of others, amidst the mysteries and paradoxes of this life in Christ – including our human limitations and failings, and the ambiguities, uncertainties and suffering that we experience.

#### We are Lutheran

We are a church that walks by faith, trusting God's promise in the gospel and knowing that we exist by and for the proclamation of this gospel word. We proclaim Jesus Christ crucified and raised from the dead for the life of the world. As the apostle Paul wrote (Romans 1:16-17), and we echo in our Constitution (2.02), we are not ashamed of this gospel ministry because it is God's power for saving all people who trust the God who makes these promises. "We are to fear and love God, so, that we do not despise preaching or God's word, but instead keep that word holy and gladly hear it and learn it". (Small Catechism)

God's word, specifically God's promise in Jesus Christ, creates this liberated, confident and generous faith. God gives the Holy Spirit who uses gospel proclamation – in preaching and sacraments, in forgiveness and in healing conversations – to create and sustain this faith. As a Lutheran church, we give central place to this gospel message in our ministry.

We understand to be Lutheran is to be ecumenical – committed to the oneness to which God calls the world in the saving gift of Jesus Christ, recognizing the brokenness of the church in history and the call of God to heal this disunity.

#### We are church together

Just as God has joined us to the death and resurrection of Jesus Christ in baptism, we are also joined to others, not only in the ELCA and The Lutheran World Federation (LWF), but in all communities of Christian faith around the world. In Christ none of us lives in isolation from others. Jesus is our peace and has broken down the walls that divide us – walls of judgment, hatred, condemnation and violence – and has made us into one, new human community (Ephesians 2:14-15). This spiritual communion depends only on God's mercy that comes to us in the word and sacraments. That alone is enough for unity, and so we yearn for this communion with all Christians at the Lord's table.

Because God gives us our unity in Christ, we are able to see and respect the diversity within Christ's body. We receive it as a gift and embrace it, rather than treating it as a threat or a problem to be solved (1 Corinthians 12:12-13). We respect and honor the diversity of histories, traditions, cultures, languages and experiences among us in the ELCA and in the larger Christian community of faith. We seek full participation of all in the life and work of this church and will strenuously avoid the culture of any one group becoming the norm for all in the ELCA. And we strive to address the ways that racism, sexism, classism and other forms of injustice limit participation and harm people, communities and the whole body of Christ.

In all these relationships the ELCA serves reconciliation and healing with other Christians, while repentantly acknowledging its failings and wrongs, trusting in God's forgiving mercy.

## We are church for the sake of the world

Christ has freed us from sin and death, even from ourselves, so that we can live as ministers of reconciliation in loving and generous service of our neighbors (2 Corinthians 5:17-18). In Jesus Christ, all of life – every act of service, in every daily calling, in every corner of life – flows freely from a living, daring confidence in God's grace.

Freed by the transformative life of Christ, we support ELCA members as they give themselves freely in transforming service with the neighbor. Through a wide range of daily vocations and ministries, we nurture faith, build alliances and gather resources for a healed, reconciled and just world. As church together, we faithfully strive to participate in God's reconciling work, which prioritizes disenfranchised, vulnerable and displaced people in our communities and the world. We discover and explore our vocations in relation to God through education and moral deliberation. We bear witness to the love of God in Jesus Christ through dialogue and collaboration with ecumenical partners and with other faiths. In all these ministries God's generosity flows through us into the life of the world.

## 2. What unites us as church

### Our shared purpose

*Together in Jesus Christ we are freed by grace to live faithfully, witness boldly and serve joyfully.*

### Our vision

*A world experiencing the difference God's grace and love in Christ makes for all people and creation.*

### Our values

Our values are grounded in faith, in our biblical and Lutheran confessional sources and our love of God and neighbor. They speak to the way this church lives and practices our faith, and they will guide how we journey forward in Christ as church together.

**Forgiveness and reconciliation** – We are reconciled to God by God's forgiving mercy. Forgiveness and reconciliation flow from what God has made us to be in Jesus Christ and what God is doing with us in the world. As a people of God, we embody forgiveness in speech, action and relationships, and our ministry in reconciliation is foundational.

**Dignity, compassion and justice** – Each person is created in God’s image. We respect this God-given right to dignity and, inspired by the life of Jesus, show love and compassion for all people. Through proclamation of the gospel, through worship and as servants of God working for healing and justice in the world, we uphold and seek to protect the dignity and human rights of all people.

**Inclusion and diversity** – As Christ’s church, we value the richness of God’s creation and offer a radical welcome to all people, appreciating our common humanity and our differences. We are a church that does not view diversity as a barrier to unity. We recognize and will challenge dynamics of power and privilege that create barriers to participation and equity in this church and society – for women, people of color, minority ethnic groups, people with disabilities, people who marginalized or living in poverty, and the LGBTQ community.

**Courage and openness to change** – Because we trust in God’s promise and understand faith to be a living, daring confidence in God’s grace, we are emboldened to embrace learning and change in our spiritual and institutional journey as church. This means we are open to new ways and willing to take risks to discover God’s plan for this church.

**Faithful stewardship of God’s creation and gifts** – As church together, faithful stewardship is about holding to God’s purpose and ensuring the responsibilities and resources that God has entrusted to us are used with great care and with accountability to God, to each other and those served by this church.

### Our most important ministries

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In today’s competitive society that creates unrealistic expectations of finding worth through human accomplishments, the most important ministries of this church in the years ahead are:

“Christians live not in themselves, but in Christ and in their neighbor. Otherwise they are not Christians. They live in Christ through faith, in their neighbor through love.” *Martin Luther, “On Christians Freedom”* (Luther’s Works, vol. 31, pl. 371

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**Worship, word and sacraments** – Rooted in evangelical proclamation and sacramental celebration we are a church gathered around worship experiences that are meaningful, authentic and responsive to community contexts

**Faith formation and discipleship** – Honoring our rich traditions, we are a church grounded in the Lutheran confessions inspiring biblical and theological literacy, gospel fluency and daily vocation and ministry through shared experience and life-long learning

**Leadership development** – We are a church strongly committed to formation, education and continuing development and care of lay leaders and rostered ministers.

**Children, youth and young adults** – We are a church dedicated to ministries that engage and affirm children, youth and young adults as an integral part of this church, now and for the future.

**Ministries addressing human suffering and injustice** – In communities and around the world we are an informed church, actively utilizing our many gifts in witness and service in response to human need in our communities, countries and the world

### 3. Our goals and priorities

The goals and priority areas for action set out here are based in a shared trust and hope that the future is in God's hands.

They express what this church has collectively said is important into the future. Identifying priority areas for action provides a focus for shared leadership of this church so it can be more effective in serving God's mission and attending to institutional challenges that stem from being church today.

The "why" of our goals is in the gospel, in the life, death and resurrection of Jesus and deeply embedded in our Lutheran theology and traditions.

In a radically individualistic society, we seek to create and sustain life-giving relationships and communities that connect us to God and to one another.

In a society that is changing and increasingly secular and a world facing continuing interreligious and national tensions, we seek to proclaim the gospel and share the story of Jesus as a source of hope, inclusion, peace and reconciliation.

In a world that misuses power and authority and struggles with conflict and growing inequality, we seek to follow Jesus who publicly spoke up for those who were oppressed and marginalized.

#### *The church we are becoming*

- 1. A thriving church spreading the gospel and deepening faith for all people*
- 2. A church equipping people for their baptismal vocations in the world and this church*
- 3. An inviting and welcoming church that reflects and embraces the diversity in our communities and the gifts and opportunities that diversity brings*
- 4. A visible church deeply committed to working ecumenically and with other people of faith for justice, peace and reconciliation in our communities and around the world.*
- 5. A well-governed, connected and sustainable church*

#### Goal one: A thriving church spreading the gospel and deepening faith for all people

##### Priority areas for action

- ❖ **Church identity** – Develop a deeper and more shared understanding of who we are as a Lutheran church and equip leaders and all the baptized to communicate our theology and beliefs in accessible and compelling ways.
- ❖ **Renew and strengthen evangelism** – Through all expressions of this church, and in accompaniment with global companions, foster new approaches to evangelism that are compatible with being Lutheran and generationally, technologically and contextually relevant and effective.
- ❖ **Church leaders** – Adopt a more strategic and coordinated approach to formation, education and continuing development of lay leaders and rostered ministers, with emphasis on theological fluency and equipping leaders for evangelism and vocations in a wide range of contexts and ministries.

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Acts 1:8, 1 Peter 2:9-10, Matthew 28:16-20, Romans 1:16

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- ❖ **Renewal and formation of congregations and worship communities** – Support and empower congregations and communities of worship through mission planning and development, encouraging a culture of deepening faith, hope and openness to change.
- ❖ **Ecumenical dialogues and relationships** – Continue to be a church deeply engaged in ecumenical dialogue, relationships and partnerships for the sake of Christian unity.

## Goal two: A church equipping people for their baptismal vocations in the world and this church

### Priority areas for action

- ❖ **Baptismal vocation** – Form and equip the baptized to express their faith through their life and witness as followers of Jesus.
- ❖ **Faith formation and practice** – Support and provide resources for life-long faith formation and practice – within households, workplaces and communities – and share learnings about the approaches that deepen faith and bring Jesus into people’s daily lives.
- ❖ **Youth and young adults in mission** – Provide space, support and opportunities for youth and young adults to participate in ministries and pursue their calling.

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Philippians 2:4-11, 1 Corinthians 12:4-7, Romans 6:3-4, Mark 10:13-16

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## Goal three: An inviting and welcoming church that reflects and embraces the diversity of our communities and the gifts and opportunities that diversity brings

### Priority areas for action

- ❖ **An outwardly focused church** – Support congregations and worship communities in actively reaching out to people in their neighborhoods through relationships, in service and with an openness for mutual learning.
- ❖ **Theological and cultural competence of leaders** – Build confidence and competence among lay leaders and rostered ministers to provide an authentic welcome to people from different cultures and circumstances and embrace the ideas and experience they bring.
- ❖ **Church leadership profile** – Pursue a leadership profile that reflects the diversity to which the ELCA aspires and endeavor to match the gifts and experience of leaders to communities and ministries where those gifts are needed.
- ❖ **Addressing discrimination and oppression** – Equip and support leaders at all levels of the church to understand, speak out and act against discrimination based on race, gender, disability, sexual orientation and social status.

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1 Corinthians 12, Ephesians 2:14-20, Acts 10, Galatians 3:26-28

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## Goal four: A visible church deeply committed to working ecumenically and with other people of faith for justice, peace and reconciliation in communities and around the world

### Priority areas for action

- ❖ **Poverty and hunger** – Continue to encourage and harness resources for local, national and global ministries to alleviate poverty and hunger and improve the way this church tells these stories of God’s work in the world – internally and externally.
- ❖ **Response to disasters and humanitarian crises** – Continue to be a church supporting and taking action in local and international response to natural disasters, violence and conflict and assisting the growing number of people affected by displacement and forced migration.
- ❖ **Lifting up the work of ELCA related social ministries** – Build awareness across this church of the important work of ELCA-related social ministry organizations and understanding their work as central to the life of this church.
- ❖ **Advocacy and action on economic justice, racial justice, gender justice and climate justice** – Be a visible witness and agent of change for justice and creation care.

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2 Corinthians 5:14-21,  
John 13:12-15, Isaiah 58:1-11

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## Goal five: A well-governed, connected and sustainable church

### Priority areas for action

- ❖ **Leadership in governance** – Re-examine and strengthen governance of the ELCA to provide for clarity in roles and authority, strong relationships and shared leadership and a culture of willing accountability.
- ❖ **Church structures** – Review church structures to ensure their fit with future needs of the ELCA, with a focus on responsibilities, functions and resourcing of synods and the churchwide organization and how best to support and resource congregations.
- ❖ **Resources for mission** – Develop and take forward a church strategy to grow resources for mission and ministry and ensure distribution and use of resources aligns with roles, expectations and priorities for the whole church.
- ❖ **Communication** – Improve communication across this church in support of proclaiming the gospel, new forms of evangelism, connecting the church as one part of the body of Christ and sharing success stories, experience and learning.

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1 Corinthians 4:1-2, 2 Corinthians  
4:1-2, Micah 6:8, 2 Corinthians 9

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Called Forward Together in Christ

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## A Summary of Responses

To the Consultation Paper on Future Directions of the ELCA

September 13, 2016



**Evangelical Lutheran Church in America**  
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Readers of the Consultation Paper on Future Directions of the ELCA were invited to provide feedback on the paper. A questionnaire was posted on-line in late July and by mid-September, there were 140 responses -- some to the full questionnaire, others to specific sections, and others with general comments. Their thoughts are paraphrased or excerpted with the intention of showing the full variety of responses.

## 1 INTRODUCTION: THE PROCESS & THE INVITATION TO RESPOND

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Rostered and unrostered members of all age groups expressed gratitude for the ongoing process and the opportunity to comment.

Several urged that the process will be incomplete and unsuccessful unless the voices of the unchurched are solicited and integrated through survey and focus group efforts, and strategies are built on those learnings.

Others lamented hearing too recently of the invitation to comment.

## 2 DOES THE ELCA NEED TO ESTABLISH PRIORITIES?

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Bishop Eaton states on page 3 that our mission is clear. Several asserted that in our rapidly changing world we do not have agreement on how to interpret our mission.

## 3 THE CONTEXT

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### 3.2 TRENDS – THE ELCA and the U.S. RELIGIOUS LANDSCAPE.

- Readers confirm: In their congregations, commitment to growth is often tenuous.
- In decision-making, intentionally seek representation from most populous states.
- After holding diversity as an aim for so long, lack of gains highlights how little we know about how to progress toward the goal.

#### How Should the ELCA respond to the trends outlined in the Paper?

Get extremely clear about why church is worth making a priority – why we'd bother inviting someone, why someone who is not already involved should be, why to continue being active in a congregation. Lack of consensus continues around church growth as a goal.

### ◆ **What does the changing context mean for the future of the ELCA?**

Change the format for delivery, not the message itself.

Change management will be key to retaining the engagement of existing members.

Opportunities exist in that elements of the Lutheran message -- valuing good works as a response to God's grace -- have some appeal to unchurched young adults with a view religion primarily helps people to be good.

Boldly chart the course toward inclusivity with the gospel as our top priority. If our real purpose is survival and influence, we are already dead. If it is truly about living in faith with a crucified and yet living Lord, NOTHING in this whole creation will overcome us.

### ◆ **What other factors impacting membership need to be considered?**

- *Low emphasis on Bible reading and study for children, youth, and adults*
- *Low emphasis on faith formation*
- *The rise of social media and decline of actual one-on-one relationships and communications;*
- *Emphasis on materialism and achievement in society;*
- *Leadership that does not inspire us to get out of our comfort zone for the Lord*
- *A tendency to help the poor outside our walls but not actually invite them inside*
- *No Lutheran visibility on TV nationally or locally*
- *Very little action by church leadership in speaking out against injustice, racism, and violence*
- *Absence of blue laws*
- *Sports teams and other personal activities increasingly meeting on Sunday mornings*

**Readers urged the creation of a think tank to advise the Directions table – a task force made of ELCA pastors that are growing churches at a substantial pace in the face of this context.**

## **4 WHAT IS GOD CALLING THE ELCA TO BE TODAY?**

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One questioned the supposition that God has a specific ELCA in mind.

### **4.1 KEY MESSAGES FROM ACROSS THIS CHURCH**

#### ◆ **Do the statements on pp. 8-9 describe who the ELCA is as a Lutheran church?**

There was wide support for the inspiring statements as an expression of the kind of church we want to become. Readers lament the disconnect between the ideals of those statements and their current realities, particularly around worship practices. "Contemporary music" needs

updating, and worship styles and schedules often have often meaning for a select few. They urged shedding or transforming the worship practices that no longer serve.

◆ **The statements are missing a handful of elements:**

- A sense of what makes Lutherans distinct
- Our identity as chiefly a confessional movement within the total body of Christ rather than a denomination emphasizing institutional barriers
- Our comfort with mystery and uncertainty AND with paradox
- Information about our financial investments being socially responsible
- Our work on social statements and advocacy
- A focus on transformative spiritual practices

**Can we explain who we are as a Lutheran church in a more engaging and consistent way?**

- Reframe our comfort with complexity as a call to inquiry and exploration – language that promotes action and better connects for millennials.
- Explore images to put some flesh on Grace – the ELCA as a people venturing with their hot-dish into the muck.
- Hear the call to better teach that theology matters and what our theology is.

## 4.2 EXPRESSING THIS IN THE FUTURE DIRECTIONS STATEMENT

◆ **Feedback on ideas for the purpose and vision statements**

In this foundational statement, acknowledge both law & gospel -- correctly preached, correctly differentiated.

The values are widely support, but some caution against an over-emphasis on inclusion that risks creating skewed priorities & losing our theological identity.

Some urge embrace of the value of interreligious education -- taking a role as convener of respectful dialogue.

Others congregations value using variations on the creeds. For some, being compelled to sign on to “cut-and-dried doctrines” can be a barrier to exploring faith within a congregation.

## 5 FUTURE DIRECTIONS AND PRIORITIES

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### 5.1 KEY MESSAGES FROM ACROSS THIS CHURCH ON PRIORITIES

**A Christ-centered thriving church.** Voices across the church searched the document for evangelical passion – some looking for mention of the ELCA passion to expand God’s kingdom in heaven, others looking for a reformation in theology focused on God’s kingdom on earth, many urging that evangelical passion is complementary to and necessary for inclusivity, faith formation and justice work. A relatively younger reader affirmed the emphasis on grace theology. One asked to emphasize rather than footnote the work of Lutheran Social Services.

#### **An inclusive and diverse church**

Many support the ideal of radical welcome that underpins greater diversity.

One cautions that the road to realizing the ideal is formidable and is paved with necessary, honest conversations about our sinfulness and our understandings of power. Unless we get to the heart of the matter, diversity will remain a goal we cannot achieve.

#### **Leaders and leadership development**

Many asked for greater emphasis here, affirming the table’s assertions that ministry in this changing world requires leaders who are skilled in relationship-building, equipped with a more varied skillsets and mirror the diversity of our communities.

Flesh out how seminaries must differently train leaders for this mission – building strong interpersonal and strategic skills in addition to Biblical and theological grounding.

Speak to the need for structures and clergy that empower lay leaders.

Support currently rostered leaders who may feel forgotten in the quest for new leaders.

Address the clergy shortage, identifying leaders in place and revisiting elements of the call process that are out of step with the realities of life for potential candidates.

#### **A church serving those affected by hunger, poverty, disasters, conflict and violence**

Respondents issued a resounding call to include global climate justice in this section -- cited repeatedly as among the most pressing issues today – as well as adding gender discrimination.

## **Faith formation and discipleship**

Even more resounding was the call to rework the document -- and revisit foundational conversations -- around the fundamental role of the Bible in faith formation. The lack of Biblical literacy in the ELCA is seen as a significant vulnerability – an impediment to members developing into mature Christians and evangelists. They were distressed by the paper’s limited reference to the Bible. They advocated for a vision for the ELCA as a leader in welcome, doing justice AND in developing the most Biblically-literate witnesses to God’s redeeming work.

Others call for the return to Scripture in the context of recent stances of the ELCA on same-sex marriage and ordination and other social justice stances. They argued that Scriptural grounding is incompatible with the ELCA social positions, highlighting the diversity within the church on these issues.

## **Youth and young adults**

The renewed emphasis is on youth and young adults is welcome. Claim, however, that Jesus (rather than children) is the future of the church.

Start faith formation early with parents of prenatal children to children age 7. There is urgency to communicate ELCA theology & values when children are forming their cognitive roadmaps,

Youth directors urged a widespread call to change how we pass on faith to the next generation and a massive call to action around how we reach out to the young people already in church. Shifting from age-segregated Sunday School to methods that research suggests are more effective in passing on the faith needs support and experimentation.

Accept that the traditional order of events for youth engagement may shift, with the unchurched assessing whether we are walking our talk before they are interested in participation in congregational life or sacramental rites of passage.

Continuity into adulthood is critical through strongly supported camp and campus ministries.

## **Church structures and relationships**

The connectivity and communication challenges across the expression of the church are real.

Visual bridges – short video clips for use in worship – may be effective at building ownership and support among congregants.

Form must follow function. Talk of restructuring our churchwide organization is premature until the objectives are clear.

## Stewardship of resources

While none spoke to the Mission Support paradigm, readers also asked that churchwide resources be distributed intentionally toward areas of high population growth, where the church can increase its cultural & ethnic diversity, and away from bricks & mortar that divert resources from relationship building.

### 5.2 LIVING THE TENSIONS

The spiritual-but-not-religious reference prompted a refocusing on the Great Commission along with distaste at allowing the branding of a group of people to inhibit our outreach.

Comfort with ambiguity can be an asset as long as it doesn't keep us from action. Readers advocated bold action.

### 5.3 TESTING THE WATERS ON EMERGING PRIORITIES

#### Proposed Priorities for the ELCA to 2021

Previously cited comments raise relevant questions around priorities. In addition to those, diversity and the ELCA's work of reconciliation both received specific support in the feedback.

Several suggested the following rewrite to bullet three: We are a visible church, deeply engaged with ecumenical and inter-religious partners in public witness and service for the sake of justice, peace and reconciliation in the US and the world.

### 5.4 IMPLEMENTING PRIORITIES ACROSS THIS CHURCH – WHAT WILL IT TAKE?

#### ❶ Translating these ideals into congregational life is a primary concern.

Readers see these ideals embodied at synod and national youth gatherings, churchwide events, seminaries and camps. The reality of their congregations is sometimes quite different. They find that welcome is tepid, older youth and young adults have difficulty meaningfully participating, or strategic efforts succumb to social club mentality.

#### ❷ As named by the leadership tables, readers highlight ownership concerns.

Past strategies have suffered lack of clarity and ownership. Congregational leaders are rarely equipped to develop and implement strategic plans and attain congregational ownership.

#### ❸ As we shed what no longer serves, prepare to explain better what we retain.

Communication will be key, in our communities, and across the nation. As we become more conscious of the experience of newcomers, we must take care to explain our theology and references to it and to explain the worship practices that we choose to retain.

#### ❹ Engage millennials in shaping 21st century engagement programs.



They need to be key players in shaping what the "new congregation " will look like. Invite older adults, who risk feeling abandoned by the church, into this vision of ministry with the young.

**5 Prepare to invest differently to nurture diversity of all kinds.**

Funding support must shift as we nurture congregations that are younger and more diverse.

**Readers are turning toward action.** Be as bold in the direct call for action as the paper is in naming our context, declaring our strengths and anticipating challenges of implementation.

## DEMOGRAPHIC PROFILE OF THE 140 RESPONDENTS

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### ROSTER-UNROSTERED REPRESENTATION

Rostered	78	55.7%
Not Rostered	59	42.1%
Not Indicated	<u>3</u>	<u>2.1%</u>
	140	100.0%

### GENDER DISTRIBUTION

Male	82	58.6%
Female	50	35.7%
Not Indicate	<u>8</u>	<u>5.7%</u>
	140	100.0%

### AGE DISTRIBUTION

Age 18 to 24	1	0.7%
Age 25 to 34	12	8.6%
Age 35 to 44	20	14.3%
Age 45 to 64	58	41.4%
Age 65 to 74	39	27.9%
Age 75 or older	9	6.4%
Not Indicated	<u>1</u>	<u>0.7%</u>
	140	100.0%

### GEOGRAPHIC DISTRIBUTION

Region 1	6	4.3%
Region 2	11	7.9%
Region 3	35	25.0%
Region 4	5	3.6%
Region 5	24	17.1%
Region 6	9	6.4%
Region 7	18	12.9%
Region 8	5	3.6%
Region 9	26	18.6%
Not indicated	<u>1</u>	<u>0.7%</u>
	140	100.0%

# ELCA Church Council

*November 2016*

Always  
being made  
**New.**

25 YEARS TOGETHER IN CHRIST



Evangelical Lutheran Church in America  
God's work. Our hands.

# The Campaign for the ELCA

Approved by the 2013 Churchwide Assembly  
Launched February 1, 2014

## The five-year, comprehensive campaign will:

- Increase capacity to support renewal and planting of new congregations,
- Form new lay, ordained and global leaders,
- Minister to youth and young adults, and people with disabilities,
- Bolster commitment to walk and witness with companion churches, and
- Expand efforts to address poverty and hunger.

Always  
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New.

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# Here's how you can help!

## Pray

Pray regularly for the work and mission of the Church Council and of this whole church.

## Give

Support the mission of the ELCA through an annual financial gift to the churchwide organization.

## Tell

## Invite

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**New.**

25 YEARS TOGETHER IN CHRIST



**Evangelical Lutheran Church in America**  
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# This week alone...

- A \$1 million gift to ELCA Fund for Leaders became a \$3 million commitment that supports the expansion of the Fund for Leaders scholarship program and the Presiding Bishop's Leadership Initiative.
- A \$100,000 commitment was secured for a Global Ministry evangelism project in Malaysia.
- More than 600,000 donor records were screened and wealth data refreshed, to assist Campaign staff in creating in-depth major gift strategy for last years of campaign.

**Always**  
letting you  
**New.**

THE CAMPAIGN FOR THE ELCA



**Evangelical Lutheran Church in America**  
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# Cash and Commitments

As of September 31, 2016

- \$91.5 million in cash gifts
- \$4.8 million in multi-year commitments
- \$22 million in planned gifts
- Cash gifts and multi-year commitments total \$96.3 million or 48.6% of our \$198 million goal

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# Campaign through September 2016 as % of Goal with Straight-line Projections

PERCENT OF CAMPAIGN GOAL @ SEP 2016	Revenue Only	Revenue plus Outstanding Commitments
Malaria	103.0%	103.4%
Fund for Leaders	57.7%	60.0%
World Hunger	45.4%	46.4%
GCS/LT Missionaries & YAGMs	39.5%	42.8%
GGS/International Women Leaders	22.3%	28.9%
New Congregations	27.0%	27.9%
GCS/Global Ministries	12.1%	16.7%
Renewing Congregations	9.7%	10.2%
Young Adult & Youth Leader	5.5%	8.3%
Disability Ministries	2.8%	4.0%
<b>CAMPAIGN OVERALL TOTAL</b>	<b>46.2%</b>	<b>48.6%</b>

*Not included above: "Where Needed Most"*

\$2.622M

\$4.308M

*"Straight Line" Projection for Current Month*

32 of 60 Mos.

53.0%

## Relationship to Straight Line Projection

At or above S/L Projection
90% to <100% of S/L Projection
66% to <90% of S/L Projection
33% to <66% of S/L Projection
0% to <33% of S/L Projection

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**New.**

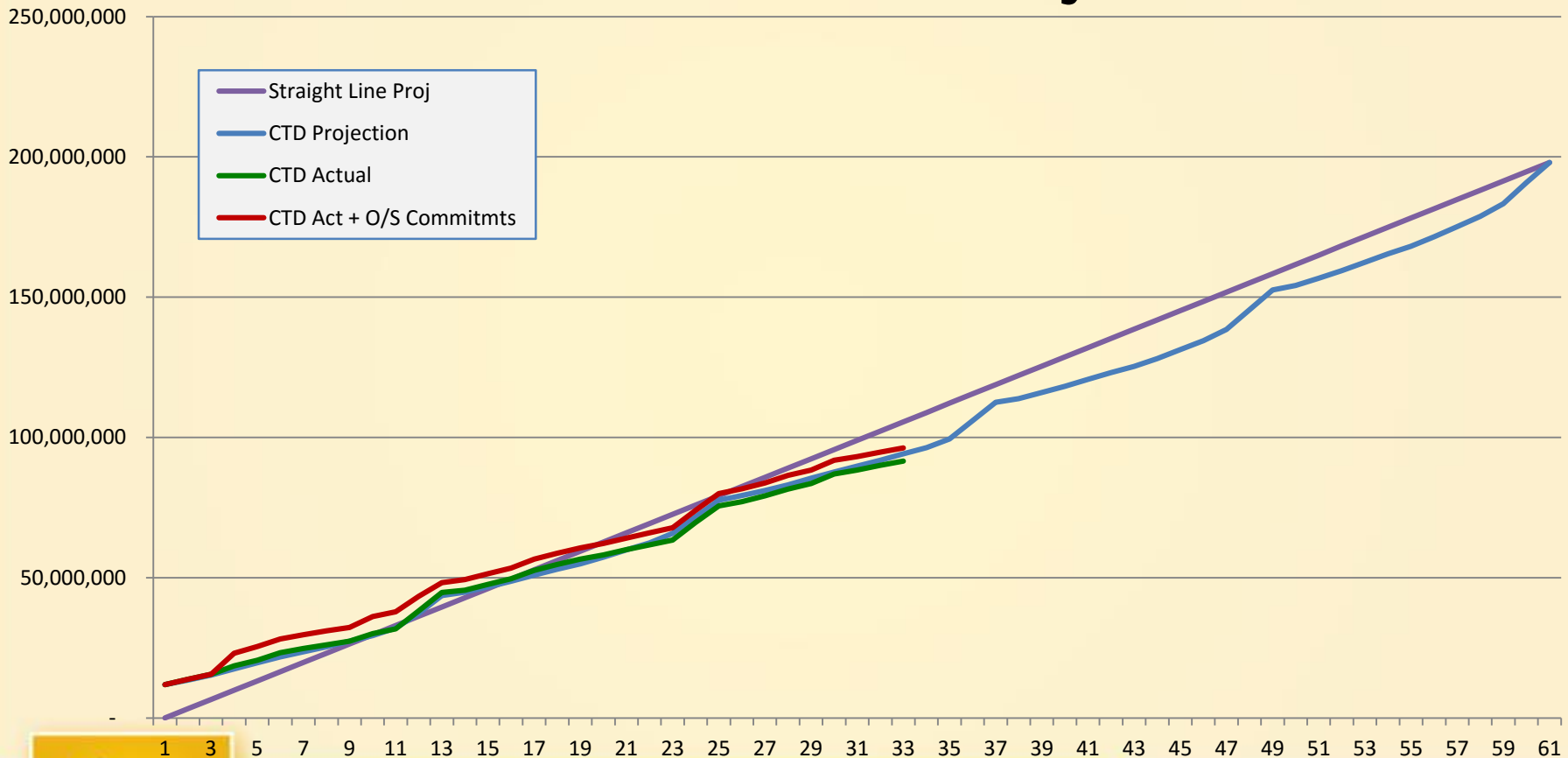
25 YEARS TOGETHER IN CHRIST



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# Total Campaign

## Results through September 2016 and Five-Year Revenue Projection



25 YEARS TOGETHER IN CHRIST

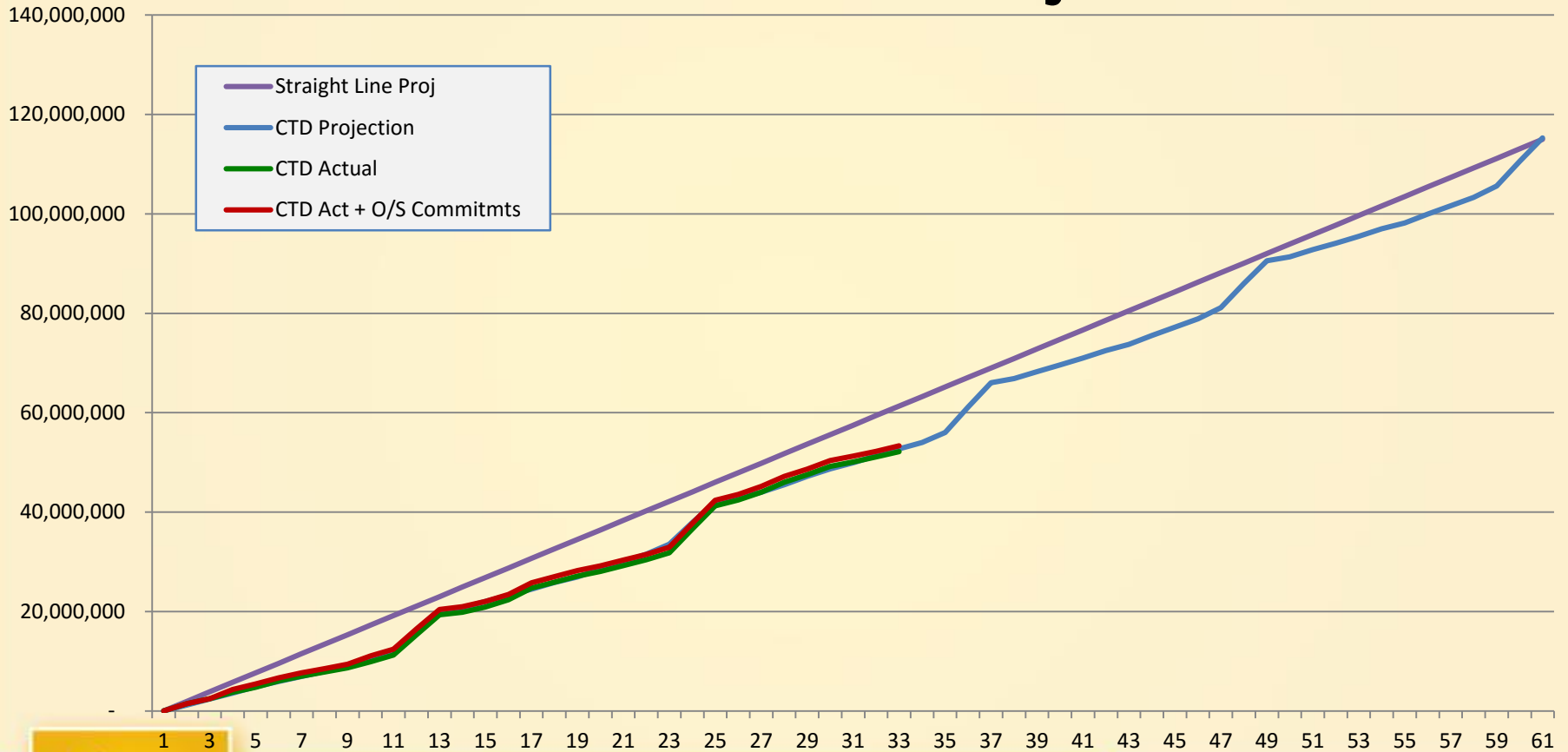


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# ELCA World Hunger

## Results through September 2016 and Five Year Revenue Projection



25 YEARS TOGETHER IN CHRIST



Evangelical Lutheran Church in America  
God's work. Our hands.

# Synod Engagement

- Collaborating with synods in their own campaigns and donor efforts
- Staff presence at many synod assemblies
- 16 campaign-related events being held with synods May-December 2016

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being made  
**New.**

25 YEARS TOGETHER IN CHRIST



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# Joint Committee Meeting

- Campaign Steering Committee and Presiding Bishop's Advisory Council met together in October.
- Special guest, travel expert Rick Steves, premiered his new Reformation documentary as a major donor stewardship event.

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# Finishing Strong: ELCA World Hunger

- \$11 million received as of 9/30/16
- Total 2016 goal of \$24 million
- \$13 million to go!



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being made  
**New.**

25 YEARS TOGETHER IN CHRIST



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# Dates to Remember

Global Church: Missionaries and Young Adults in Global Mission, International Women Leaders and Global Ministries

## International Women's Day

➤ March 8

## Pentecost Sunday

➤ June 4

## Global Church Sunday

➤ October



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# Thank you!

Always  
being made  
New.

25 YEARS TOGETHER IN CHRIST



Evangelical Lutheran Church in America  
God's work. Our hands.



# Annual Report ELCA Campus Ministry Fall 2016

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## CONTENTS

- A. BACKGROUND
  - B. DEMOGRAPHIC AND SITE INFORMATION
  - C. CAMPUS MINISTRY STORIES: BEYOND THE NUMBERS
  - D. HIGHLIGHTS: BY THE NUMBERS
    - 1. Worship
    - 2. Evangelism and Outreach
    - 3. Faith Formation and Christian Education
    - 4. Creating a Welcoming and Caring Community
    - 5. Service, Justice and Advocacy
    - 6. Leadership Development
    - 7. Stewardship and Fundraising
    - 8. Connecting with the Wider Academic Community
    - 9. Ecumenical and Interfaith Connections
    - 10. Relationships with the Wider Lutheran Community
  - E. CLOSING COMMENTS
- 
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## A. BACKGROUND

Each year, the campus ministry sites of the Evangelical Lutheran Church in America (ELCA) are asked to submit a report on their programs and activities. The information from these reports is used to prepare an annual summary report to the Domestic Mission unit and the ELCA Church Council.

The annual summary report reflects the ways in which the work of the churchwide organization, synods, and local campus ministry sites is coordinated to advance the mission of campus ministry throughout the ELCA. The report provides significant data as the ELCA makes decisions regarding the future direction of campus ministry, and the allocation of programmatic and financial resources.

## B. DEMOGRAPHIC AND SITE INFORMATION

- **Type of Ministry:** 30% of the sites reported being ELCA center-based, 29% reported being ELCA congregation-based, and 18% identified themselves as ecumenical center-based. 8% of the sites described themselves as cooperating congregations in campus ministry.
- **Ethnic and Racial Background:** 96% of the campus ministry sites reported working with white/Caucasian students, 49% sites reported working with African-American students, 36% with Hispanic/Latinos, 36% with Asian/Pacific Islanders, 20% with Middle Eastern/Arab-Americans, and 12% with American Indian or Native Alaskan students.
- **Religious Background:** Almost all of the campus ministry sites (95%) reported working with Lutheran students, 88% with non-Lutheran Protestants, 51% with Roman Catholics, 17% with Muslims, and 12% with Jewish students. Two-thirds (66%) of the Lutheran Campus Ministry sites reported working with students who have no religious affiliation. This last statistic is important because it refers to those students who are often identified as the “Nones”, and recent studies indicate that the number of “Nones” continues



to increase, especially among young adults. This is obviously a critical population of college and university students with whom to connect and build relationships.

- **Sexual Orientation:** Almost three-quarters of the sites (72%) reported working with students who identify as gay/lesbian/bisexual/transgender.
- **Disability:** About one-quarter (24%) of the Lutheran Campus Ministry sites reported working with disabled/differently-abled students.

### C. CAMPUS MINISTRY STORIES: BEYOND THE NUMBERS

In the 2016 annual report, LCM staff were invited to share stories from their ministry they would like people in the ELCA to hear. The stories shared were filled with hope, compassion and grace. They are stories that affirm the importance and value of campus ministry in the life of the ELCA. While there isn't room to relate the many stories described in the reports, some examples follow:

1. Each week, 100-200 students gather for a free meal at Christ Chapel serving Texas State University in San Marcos, TX. Lutheran Campus Pastor Jaime Bouzard works with students to prepare the meals and then spends time with the students for conversation and relationship building. Many of these are low-income students who are uncertain about their next meal, and Christ Chapel is a place that nourishes both their body and spirit. Pastor Bouzard has also developed a JOHN pantry (**Jumble Of Hygienic Necessities**) that includes all the things a low-income student might not be able to afford for their daily hygienic needs. As one student commented, "It's tough when the rent is due and you have no money for toothpaste or shampoo."
2. When there is an emergency at the University of South Carolina – like the 2016 suicide of a university student – the university has a long list of religious leaders they can call to provide spiritual support to friends and family members. Invariably, the first person they call is Lutheran Campus Pastor Frank Anderson. They call Frank because they know he will be there in 20 minutes or less, and because they know Frank will provide the kind of gracious and compassionate presence that the family so desperately needs.
3. Campus Minister Andrew Mails is the Director of Wesley-Luther Campus Ministries at the University of North Carolina in Greensboro. Andrew's ministry reaches hundreds of students across the campus, engaging them in creative ways to change the surrounding neighborhoods. The ministry has developed a food pantry, an after-school program for at-risk children, free meals for hungry students, and more. Andrew says his approach is very simple. Borrowing from the Mr. Rogers playbook, Andrew focuses on two principles that are closely related to the message of the Gospel: (1) Helping university students recognize they are worthy of love, and (2) helping them realize they are worthy of loving others.
4. During the 2016 spring break, Lutheran Campus Pastor Ron Rude took 15 University of Arizona students to Thailand for an inter-faith and inter-cultural experience. Among other things, the students were deeply engaged with Muslim families to build bridges of understanding and support. While some politicians are calling for a ban on Muslim immigration or the need for racial profiling, Ron said, "We made a commitment to open ourselves to these incredibly gracious people and learn all we can from them."
5. Lutheran Campus Pastor Rebecca Boardman, who serves at St. Louis University and Washington University, initiated a grant-funded project in the nearby Lewis Place Neighborhood. This is a predominately African-American neighborhood with significant individual and family needs. "Too often, systemic racism isolates our primarily white college campuses from neighbors like Lewis Place, and we seek to bridge that divide. Our students will serve these neighbors, and in the process we will be transformed by them."

6. Campus Pastor Ben Adams and the students from South Loop Campus Ministry in Chicago traveled to an area near Oaks, Oklahoma this past spring. There they experienced an immersion in the culture, history and challenges of indigenous people by living and serving for a week in Cherokee Nation.
7. Rachel Young Binter, the Lutheran Campus Pastor at the Corner House serving the University of Wisconsin-Milwaukee, has helped shape a faith community that focuses on contemplative worship, interfaith relationships, and justice. One Jewish student was so profoundly welcomed into the Corner House community that she calls it her religious home. The student recently shared her story this way: "When my people fled from Egypt and crossed the Red Sea, behind them they saw only slavery, and in front of them they saw only water that had not yet parted. They chose to go forward in faith, trusting that God would indeed part the waters, and lead them to freedom. The Corner House, for me, was where the waters parted, and I experienced freedom!"
8. Campus Pastor Gail Riina and the Lutheran Campus Ministry community at Syracuse University received a \$10,000 Emerging Leaders Grant from Wheat Ridge Ministries to support a new service project called "Success Saturdays". Christopher Pulliam, a student in the ministry, developed the grant proposal. The "Success Saturdays" project gives college students the opportunity to mentor middle school and high school students from the Burmese Karen refugee community. Most of the parents in that community are only beginning to learn the English language. The program runs for two hours on Saturday mornings with the first hour devoted to homework help, and the second hour devoted to college preparation skills. There are tutoring teams to help foster strong relationships and peer-to-peer learning. Each week, a different mentor tells about his/her educational and vocational journey to show how hopes and dreams can be transformed into real-life opportunities.
9. The Abundant Table was established in 2004 as a campus ministry at California State University-Channel Islands. As a progressive ministry of the Episcopal and Lutheran churches, The Abundant Table engages people from the university and wider community in a mission to transform the food system towards increased health for all people, while practicing responsible stewardship and connection to the earth. The Abundant Table manages a 5-acre sustainable farm near the university that serves as an educational-spiritual laboratory and sanctuary for people from the campus and the community. Their mission seeks to "change lives and systems by creating sustainable relationships to the land and local community." As an ecumenical and interfaith ministry, the program also includes The Abundant Table Farm Church that invites people of all faith traditions to explore spirituality in connection with the land. There is an evening worship every Sunday at a shared space -- it may be the farm house, or a cove on the beach, or a clearing in the foothills -- a sacred space where the gift of the land fosters faith.

## D. HIGHLIGHTS: BY THE NUMBERS

The annual report invited the Lutheran Campus Ministry sites to summarize their yearly activities in ten categories. The report is intended to highlight both the strengths and areas of potential growth of each program as a way of providing feedback to the churchwide and synod offices. The 2016 annual report was similar to the reports from 2010 through 2015 in order to identify and clarify ministry trends and statistical patterns. Data was collected from a total of 156 campus ministry sites (146 sites submitted information using an electronic annual report form, and 10 submitted hard copies of the annual report).

### 1. Worship

- a. It is clear that worship remains at the heart of Lutheran Campus Ministry. Nearly all sites (92%) reported that Holy Communion was provided for students one or more times per week. Over half of the sites (59%) reported providing 1 to 5 worship services per month, while 36% provided 6 services or more each month. This pattern of a strong worship life within Lutheran Campus Ministry has held steady over the last several years.
- b. Student attendance at worship has trended slightly upward. Over one-third of the sites (41%) reported 11 to 25 students on average per week. Approximately 12% of the sites reported 26 to

50 students participating in worship each week, and about 6% reported over 50 students on average per week. Approximately 40% of the sites reported 50 or more students worshipping at least once per semester.

- c. The sites reported that about 6,000 students attended worship at least once during the academic year, and many of these students attended worship gatherings on multiple occasions.
- d. The presence of a lively worshipping community on campus continues to be a key element of ELCA Campus Ministry, and it serves as a gift to college and university students across the country.

## 2. Evangelism and Outreach

- a. Lutheran Campus Ministry sites reported initial contacts with a little over 10,000 new students last year, which is similar to the number of initial contacts during the previous year. This averages approximately 65 contacts per reporting site.
- b. Personal invitation from other students remains one of the most popular ways to make the ministry known to the campus community (84% of the sites reported this approach). Electronic communication was also a widely used method for outreach and evangelism, with almost all ministries using social networking sites like Facebook, their own websites, e-mail announcements, and text messaging to connect with students. Most of the campus ministry sites (88%) also had an active presence at student orientation and activity fairs at the beginning of each semester.
- c. Peer ministers continued to be an important outreach tool for almost half of the sites (46%).
- d. The campus ministries reported 31 baptisms of individuals over the age of 18.
- e. Outreach activities also included officiating at 120 marriages, and 52 funerals or memorial services that were conducted.

## 3. Faith Formation and Christian Education

- a. Providing opportunities for young adult faith formation is a key component of Lutheran Campus Ministry programs across the country. Nearly all sites (83%) reported offering Bible studies for students. Many campus ministries also offered retreats (64%), spiritual direction (45%), and lecture series (27%) for the purposes of Christian education and faith formation. The use of a catechumen program continues to be a significant means of faith formation among college and university students, with 12% of the sites making use of a catechumen program.
- b. Campus ministry staff and student leaders continue to be creative in selecting and developing materials for education and faith formation. Sites have utilized materials that focus on important questions about vocation, grace, doubt, ecumenism, interfaith relationships, faith and politics, the care of creation, and other critically relevant topics.
- c. This year, the report invited the campus ministry staff to share the faith formation resources they would recommend to their campus ministry colleagues and others who work with young adults. These recommendations are being posted on the Lutheran Campus Ministry Network (LuMin) website at: [www.lumin-network.org](http://www.lumin-network.org).

## 4. Creating a Welcoming and Caring Community

- a. Providing hospitality and community building opportunities on campus are important tools for demonstrating the wonder of God's grace. These spaces of hospitality continue to attract a wide range of students and help ministries reach out to underserved and marginalized populations on campus. This aspect of ministry has been a key to connecting with students who have no affiliation with a religious community, with 67% of the sites reporting that "Nones" have become a part of their ministry community.
- b. Almost all ministries offered weekly meals for hospitality and community building (95%). Many offered an informal gathering space at their campus ministry facility on a daily basis (85%), with 74% of the sites also providing wireless internet access for students.
- c. Annual or semi-annual retreats and trips continued to be strong components of the campus ministry programs, with some groups participating in international travel experiences as a means of expanding student horizons and building community.

- d. Designations of Reconciling In Christ or as a “campus safe zone” have continued to increase each year. Many Lutheran Campus Ministry sites, particularly those with a Reconciling In Christ designation, reported that they are the only religious organization on their campus that actively extends a gracious welcome and open hospitality to students regardless of sexual orientation.
- e. Nearly all ministries (95%) reported that pastoral conversation was a means of providing a caring community. Most campus pastors and ministers also offer regular office hours to be present with students during the ups and downs of their university life. The amount of time per week dedicated to pastoral care conversations has held steady at an average of approximately 7-8 hours per week.
- f. Training peer ministers with basic support, listening, and referral skills continues to be an effective method of building a welcoming and caring community, as 47% of the sites reported having a structured peer ministry program.
- g. Many campus pastors (34%) also serve on university care or emergency response teams.

## 5. Service, Justice and Advocacy

- a. Campus ministries continue to undertake a broad range of community service programs and projects. Participation has increased slightly over previous years, with 36% of the campus ministry sites drawing 6 to 15 students at least once, 31% involving 16 to 50 students, and 13% drawing over 50 students. Eleven sites reported the participation of over 150 students in community service projects last year.
- b. The most popular kinds of service projects included working at a food pantry/kitchen/shelter as reported by 69% of the sites, and participating in programs serving children and youth (59%). Many sites also participated in the construction and rehab of homes, working with older adults, and assisting with environmental cleanup projects. It is estimated that students provided almost 45,000 hours of service through these programs and projects during the last academic year.
- c. Half (51%) of the sites reported offering a service-learning opportunity involving travel. Of those offering such opportunities, some trips drew a half dozen students while others involved over 50 students. These service-learning trips included a variety of domestic locations, plus Mexico, Central and South America, and even Thailand.
- d. With respect to justice and advocacy efforts, the ministries participated primarily in discussion, direct action, and educational programs. Other activities included hosting speakers with specialized knowledge, coalition-building, and sponsoring forums.
- e. Justice and advocacy programs related to hunger issues have continued to be strong with 67% of the sites reporting programs focused on hunger, as well as issues surrounding poverty (44%). Other significant areas of focus were racism (53%), sexuality and gender issues (52%), homelessness (47%), and care of the environment (40%). Activities related to immigration have become more prominent with one-third of the sites reporting programs on that issue.
- f. Campus ministry staff also observed that efforts to provide a caring and welcoming community, particularly for persons and groups who are underserved, marginalized or unpopular, are inseparable from acts of justice and advocacy.

## 6. Leadership Development

- a. Lutheran Campus Ministry sites continue to provide many opportunities for the development of young adult leadership. Most sites reported students assisting in worship, coordinating events, and planning programs, while many others also have students that represent the ministry at university-sponsored events, and on local boards.
- b. Peer ministry programs continued to be strong, while participation in special leadership retreats was a popular method for cultivating leadership skills among students.
- c. Enrollment in seminary remained steady among campus ministry-involved students who have graduated within the past five years (149). The ministry sites also reported 145 recent graduates in the candidacy process.
- d. ELCA-related service programs continued to be popular (Young Adults in Global Mission, Lutheran Volunteer Corps), as well as non-ELCA programs (Peace Corps, AmeriCorps), with 168

recent graduates currently involved in those programs. Campus ministry sites also reported 291 recent graduates involved in congregational or synodical leadership roles.

## 7. Connecting with the Wider Academic Community

- a. In this year's annual report, LCM staff were asked to respond to this question: *"In what specific ways was the ministry involved in the wider academic community this past year?"* Some interesting examples of the responses to that questions were:
  - Providing educational and enrichment programs in the residence halls
  - Developing an on-campus food pantry for students in need
  - Teaching university classes and serving as a guest lecturer
  - Sponsoring service programs and projects for the entire campus community
  - Providing pastoral and spiritual support during a campus crisis
  - Serving on various university boards and committees
  - Providing programs for new student orientation
  - Facilitating discussions for parents of new students
  - Providing support for student groups on campus that are "marginalized" such as undocumented migrant students, LGBTQ students, and students with disabilities
  - Co-sponsoring interfaith forums for the entire academic community
  - Serving as a member of the university's Student Affairs Office
  - Offering a free meal on campus for anyone and everyone
  - Serving on the university research ethics committee
  - Hosting an on-campus lecture series on "Faith, Science and Technology"
  - Serving as a chaplain or advisor for various student organizations
  - Providing all-campus worship opportunities (Ash Wednesday service, Thanksgiving celebration, Earth Day observance, National Day of Prayer, etc.)

## 8. Stewardship and Fundraising

- a. The most popular strategies for raising financial support continued to be fundraising letters (60%), face-to-face solicitation (58%), special fundraising events (51%), print newsletters (48%), e-mail messages (42%), and electronic newsletters (38%).
- b. Continuing a trend over the last several years, applying for and securing grants increased in popularity as a source of funding. Funds were also raised through congregations and congregation-based WELCA groups (62%), and annual appeals (46%). Over 40% of the sites also have funds available from an endowment, while planned giving is now a source of funds at 29% of the sites.
- c. Most of the ministries encourage student giving, and do so primarily through worship offerings.
- d. Trends continue to show an increase in the amount of staff time devote to fundraising activities. Most Lutheran Campus Ministry staff reported devoting anywhere from 10% to 25% of their time to fundraising efforts.

## 9. Ecumenical and Interfaith Connections

- a. Ecumenism and interfaith issues continue to be important on college campuses across the country. Lutherans cooperate closely with Episcopal ministries, and regularly coordinate events among other Protestant groups. Lutheran Campus Ministry staff also work closely with Roman Catholic, Jewish and Muslim colleagues in serving the academic community. Over 100 of the Lutheran Campus Ministry staff reported that they serve in some official capacity in ecumenical groups or interfaith committees at their respective universities.
- b. There appears to be increased interest in campus-wide interfaith educational events on the part of many university administrators, and a significant number of Lutheran Campus Ministry sites reported helping organize and co-sponsor these events.
- c. Shared meals (62%), cooperative educational programs (57%), and joint service projects (51%) continued to be popular as important components of ecumenical and interfaith work. Many ministries also engaged in joint worship (52%) and in co-sponsorship of speakers (43%). Almost



one quarter of the sites were involved in planning and co-sponsoring a campus-wide interfaith week or event.

#### 10. Connections with the Wider Lutheran Community

- a. In terms of involvement in the wider Lutheran community, 71% of the campus ministries reported that the staff person led worship or preached in local congregations. The campus ministry staff also worked with local congregations in service projects (60%), assisted with local youth ministry and young adult programs (52%), and provided educational forums for congregational members (36%).
- b. At the synod level, approximately 70% of the sites reported that they provided displays and other types of presence at synod assemblies. There were 55 LCM staff members who reported that they serve on synod committees or boards. About one-third of the sites indicated that they provide educational programs for synodical groups.
- c. In partnership with Lutheran Outdoor Ministry (LOM), 52 Lutheran Campus Ministry staff reported that they served as a resource for training and educational programs at one of the LOM sites.
- d. The Lutheran Student Movement (LSM) continues to operate in some regions, and there has been a renewed interest across the country in providing an annual LSM gathering for college and university students. The first of these LSM gatherings took place in Chicago at the beginning of 2016, and was attended by over 50 college and university students.

#### E. CLOSING COMMENTS

1. There are a number of ELCA ministries involved in excellent ministry among young adults. These include Lutheran Outdoor Ministry, Young Adults in Global Mission, Lutheran Volunteer Corps, and Military Chaplaincy. Lutheran Campus Ministry continues to be the largest young adult ministry in the ELCA. There are over 230 ELCA campus ministry sites on college and university campuses across the country, and the combined student population on those campuses is approximately 6.5 million young adults. Each week, thousands of college and university students gather under the Lutheran Campus Ministry banner for worship, fellowship, faith formation activities, and service.
2. The reports make it clear that LCM staff also see campus ministry as a call to accompany and serve the entire campus community of staff, faculty, administrators, and alumni, as well as students. Lutheran Campus Ministry is understood to be the very real presence of Christ on the campus, calling us to God's work as we represent the Evangelical Lutheran Church in America in settings of higher education. Again and again, the LCM staff recognize they are called to serve the whole campus population and be companions in times of stress, tragedy and celebration, offering sacred grounding through the spiritual, historical and ethical foundation of our faith and traditions.
3. Campus ministry is one of the few places in our culture where the church can have lively conversations with young adults who are typically referred to as "Nones", or those individuals who do not identify with any religious group. It is estimated that up to 40% of the university student population on any given campus will identify themselves as "Nones". One of the important roles of our Lutheran Campus Ministry staff is to build relationships with people across the campus, without regard to their religious or non-religious affiliation, and to engage in conversation with as many students as possible about important issues in their lives: meaning, identity, vocation, values and ethics, justice and service, diversity, and relationships. Lutheran Campus Ministry seeks to provide a fresh perspective on the church as a community characterized by grace, integrity, openness, inclusiveness, and compassion. This approach takes the campus ministry staff to the far reaches of the university to interact with individuals and groups who have little if any connection to a religious community. This encounter may provide one of the few opportunities for them to experience the true wonder of a God whose love is rich, full, and welcoming.
4. ELCA campus ministry places a high priority on being a welcoming and inclusive community of faith. For example, on many college and university campuses, Lutheran Campus Ministry is the only

Christian organization that openly welcomes LGBTQ students, and boldly advocates for them within the campus community. The following letter from a student who participates in the Tyson House (Lutheran Episcopal Campus Ministry) at the University of Tennessee speaks to this reality:

*When I met John Tirro, the Lutheran Campus Pastor at the University of Tennessee, I was just a young gay student who was disillusioned with the church and I was certain that church was no place for someone like me. John changed my mind and my heart, but never through trying to change me. Instead, the accessibility of the worship services he led and his passion for justice allowed me to better understand the Kingdom of God. It was by the light that shines through John that I learned of my place in the church and God's love for me. Today, I work with John at Tyson House, and every day I am impressed with his creativity and I learn more about what it means to live into the risks God calls us to take.*

5. The campus ministry staff are excited about the development of the new Lutheran Campus Ministry Network, now called LuMin. LuMin has been designed as “an association to sustain and strengthen Campus Ministry in the ELCA by forming collegial relationships, training professional campus ministry leaders, and advocating for the church’s ministry on college and university campuses.” Over the past year, LuMin has:
  - Planned and implemented the “2016 LCM Staff Conference” last June at the University of Maryland attended by 125 people;
  - Sponsored a two-day New Staff Orientation for 22 new LCM staff from across the country;
  - Developed a new LuMin logo, website, an online newsletter for LCM staff called “The LuMin Lantern”, and a new promotional film ( please see: [www.lumin-network.com](http://www.lumin-network.com));
  - Developed an easy-to-use student referral system on the LuMin website. The system allows a student or family member to get information about a Lutheran Campus Ministry program at a college or university where the ELCA is represented, and to send student contact information to the campus ministry.
  - Continued to provide a YouTube channel by and for university students, called “The Tiny Piano Club”, with a new program posted weekly;
  - Built new partnerships with a variety of ELCA offices and organizations;
  - Elected a Board of nine LCM staff, representing all nine regions of the ELCA, to help direct and coordinate the efforts of LuMin.
6. Campus ministry remains a vital and critically important field of mission within the ELCA. Students, pastors, lay ministers, board members, congregations and synods continue to work as partners to shape the work of campus ministry in adaptive, thoughtful, and creative ways, while asking difficult but important questions about the nature of ministry support in the future.
7. In reviewing this year’s annual campus ministry reports, the following comments from a Lutheran Campus Pastor serving a major university on the East Coast seems to provide a fitting conclusion:

*Campus ministry is the ELCA's primary seedbed for leadership, and when we provide emerging adults with opportunities for personal and spiritual growth, they often respond with passion and commitment to serve and lead in the world. In our setting, many of the current student leaders have experienced discrimination, poverty, violence, broken homes, and diverse religious backgrounds. However, when they join others for the common good through campus ministry, they often find their voice and call to public service. Each of their vocational journeys is compelling for the ELCA's spiritual and evangelical renewal.*

# Domestic Mission Unit

Stephen P. Bouman, Executive Director



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# Highlights of 2016 Renewal Ministries

- We have made perhaps the most significant progress this year in the last decade in moving a culture of congregational renewal, health, and vitality forward in the ELCA. In terms of major highlights facilitated by the DM Congregational Renewal Program:
- 1/3 or more of the synods have had leaders engaged in the ELCA holistic congregational renewal Transformational Ministry 2.0 Train-the-Trainer events facilitated by the ELCA DM Renewal Team in 2016.
- As we entered the second year of the ELCA Campaign Renewing Congregations Initiative, \$643,500 has been allocated to fund eighteen proposals submitted by synod in for grant cycles during the first year. Twelve synods are launching Synodical Renewing Congregations Strategies initiatives. Two Area Ministry Strategies and four Fast Growth Congregations initiatives are launched as well.
- 149 requests were submitted for FY 2017 Partnership Support and the July Review table approved \$2.2 million.
  - 62% are ethnic specific/multicultural context focused ministries
  - More than 1/3 of the ministries are with/among people living in poverty
  - In addition, 55 Partnership Support ministries are in Urban contexts
  - Therefore, more than 2/3 of ELCA renewal Partnership Support ministries are in poverty or urban contexts
  - 24 of the ministries are in rural and small town contexts



# Campaign for the ELCA

## Campaign for the ELCA

As of 9/30/2016

	<u>Income to Date</u>	<u># Grants</u>	<u>Expenses to Date</u>
<b>New Congregations</b>	\$ 1,080,046.00	13	\$ 292,328.00
<b>Renewing Congregations</b>	777,441.00	15	212,165.00
<b>Disability Ministries</b>	113,005.00	10	23,459.00
<b>Youth &amp; Young Adults</b>	219,753.00	33	534,351.00
	<u><u>\$ 2,190,245.00</u></u>	<u><u>71</u></u>	<u><u>\$ 1,062,303.00</u></u>



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# New Starts

## Evangelical Lutheran Church in America Domestic Mission New Starts Approved for 2016 (60), Page 1

- |     |                                       |   |
|-----|---------------------------------------|---|
| 1.  | 1B Northwest Washington-Buss          | CUD Lakewood-Smokey Point Parallel New Start, Marysville, WA            |
| 2.  | 1B Northwest Washington-Buss          | CUD Parallel New Start in the Green Lake neighborhood of Seattle, WA    |
| 3.  | 1B Northwest Washington-Buss          | CUD North Creek Parallel New Start, Bothell, WA                         |
| 4.  | 1C Southwest Washington-Wallschlaeger | SAWC Exp. Young Adult University Parallel Development, Tacoma, WA       |
| 5.  | 1C Southwest Washington-Wallschlaeger | SAWC Misión de Belén, Tacoma, WA  |
| 6.  | 1C Southwest Washington-Wallschlaeger | SAWC Pueblo de Dios, Federal Way, WA                                    |
| 7.  | 1C Oregon-Chase                       | CUD Woodburn Centro Montesinos, Woodburn, OR                            |
| 8.  | 2B Southwest California-Funk-Pihl     | CUD North Hollywood Latino New Start, North Hollywood, CA               |
| 9.  | 2B Southwest California-Funk-Pihl     | SAWC Exploration Mission St. Francis, Chatsworth, CA.                   |
| 10. | 2B Southwest California-Funk-Pihl     | SAWC San Fernando Valley Latino LGBTQ Lutheran Ministry, Glendale, CA   |
| 11. | 2B Southwest California-Funk-Phil     | SAWC Japanese Korean Ministry Parallel with Good Shepherd, Torrance, CA |
| 12. | 2D Grand Canyon-Gomez-Acosta          | SAWC Exploration Crossroads- (East Polytech Campus) San Tan Valley, AZ  |
| 13. | 2E Rocky Mountain-VanOsdol            | SAWC Exploration Latino Ministry, West Denver, CO                       |
| 14. | 2E Rocky Mountain-VanOsdol            | SAWC Nueva Vida Prison Ministry, Denver, CO                             |
| 15. | 3A Western North Dakota-Narum         | SAWC Exploration Penelope's Place, Bottineau, ND                        |
| 16. | 3B Eastern North Dakota-Zeh           | CUD La Misión Evangelica Luterana del Pasillo I-29, ND                  |
| 17. | 3C South Dakota-Tesch                 | SAWC Church on the Street, Sioux Falls, SD                              |
| 18. | 3G Minneapolis Area-Stehlin           | SAWC New Community, Northeast Minneapolis, MN                           |
| 19. | 3G Minneapolis Area-Stehlin           | SAWC Tree of Life Lutheran, Minneapolis, MN                             |
| 20. | 3I Southeastern Minnesota-Reuss       | SAWC Exploration Trinity Fellowship, Rushford, MN                       |
| 21. | 4C Arkansas-Oklahoma-Albertson        | SAWC Servant's Table, Tulsa, OK   |
| 22. | 4D Northern Texas-N. Louisiana        | SAWC Umoja International Lutheran Church, Fort Worth, TX, third site    |
| 23. | 4D Northern Texas-N. Louisiana        | CUD Faith Lutheran Church Starting Another Church, Flower Mound, TX     |
| 24. | 4D Northern Texas N. Louisiana        | SAWC Church of the Damascus Road Recovery, Weatherford, TX              |
| 25. | 4E Southwestern Texas-Spindt          | CUD "The Gathering", New Braunfels, TX                                  |
| 26. | 4E Southwestern Texas-Spindt          | SAWC Exploration South Austin Latino Exploration, Austin, TX            |
| 27. | 5A Metropolitan Chicago-Garfias       | SAWC Exploration-Ministry w/ the Korean Community, Metro Chicago, IL    |
| 28. | 5A Metropolitan Chicago-Garfias       | AWS Concordia Lutheran Church Whipple Campus 2nd Site, Chicago, IL      |



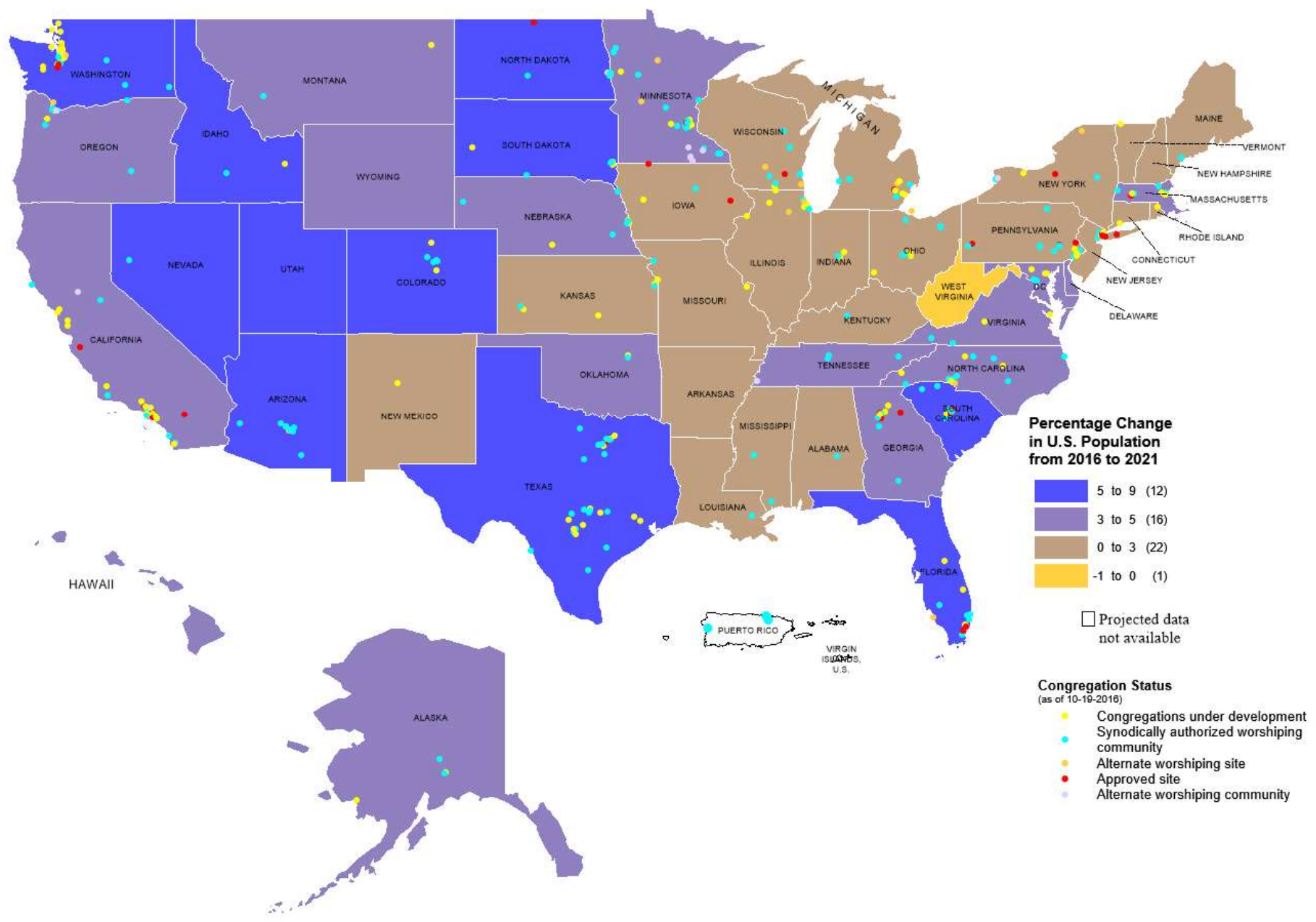
# New Starts

## Evangelical Lutheran Church in America Domestic Mission New Starts Approved for 2016 (60), Page 2

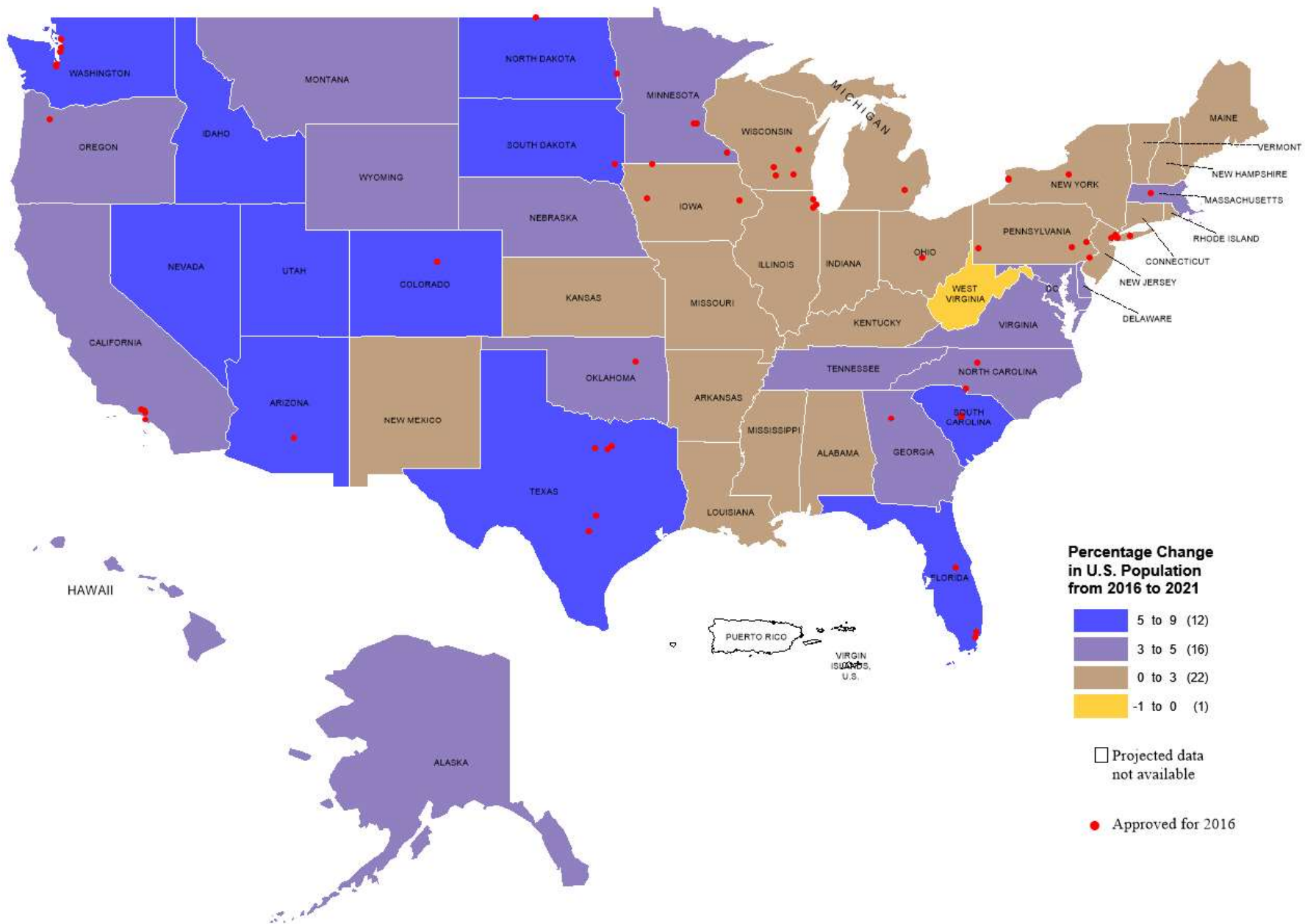
29.	5A Metropolitan Chicago-Garfias	CUD Community United/Comunidades Unidas Parallel Development, Berwyn, IL
30.	5D Southeastern Iowa-Uthe	SAWC Anamosa State Penitentiary Congregation, IA
31.	5E Western Iowa-Ungs	CUD Latino Lutheran Episcopal, Denison, IA
32.	5E Western Iowa-Ungs	SAWC Exploration Lakeside, Lutheran Camp, Spirit Lake, IA
33.	5I E. Central Wisconsin-Devoll-Donaldson	SAWC Exploration Karen Worshiping Community, Oshkosh, WI
34.	5K South Central-Wisconsin-Jelinek	SAWC Table of Joy/Food Truck of First Luth. in Lodi, WI
35.	5K South Central Wisconsin-Jelinek	SAWC Parroquia Santa Maria, Fitchburg, WI
36.	5K South Central Wisconsin-Jelinek	SAWC Watertown Latino Outreach, Watertown, WI
37.	6A Southeast Michigan-Eggleston	SAWC Hope Farmington Second Site, Lyon,
38.	6F Southern Ohio- Iseringhausen	SAWC Synodically West African Intercessor Luth. Mission, Columbus, OH
39.	7A New Jersey-Freiberg	SAWC Exploration Prison Ministry, Elizabeth, NJ
40.	7B New England-Bergstrand	SAWC Mobil Cathedral in The Night, Holyoke, MA and Springfield, MA
41.	7C Metropolitan New York-Wells	SAWC All Saints/Todos los Santos-Southwest Queens, NY
42.	7C Metropolitan New York-Wells	CUD Ascensión Deer Park Latino Mission, Deer Park/Brentwood, NY
43.	7C Metropolitan New York-Wells	SAWC Uniondale SAWC, Uniondale, NY
44.	7C Metropolitan New York-Wells	CUD Environmental New Start, Port Jervis, NY
45.	7D Upstate New York-Malfatti	SAWC Emanuel Church, Buffalo, NY
46.	7D Upstate New York-Malfatti	SAWC Yeshurun Lutheran Church, Buffalo, NY
47.	7D Upstate New York-Malfatti	SAWC Atonement Lutheran Church (Lutheran Presbyterian), Syracuse, NY
48.	7E Northeastern Pennsylvania-Bennethum	SAWC Common Ground Recovery Community-Reading Campus, Wyomissing, PA
49.	7F Southeastern Pennsylvania-Davenport	SAWC Exploration The Well 2nd Site Luth. Presbyterian, Philadelphia, PA
50.	7F Southeastern Pennsylvania-Davenport	SAWC Kairos, Philadelphia, PA
51.	8B Southwestern Pennsylvania-Morgan	SAWC Abiding Ministries Second Site, Allentown Section, Pittsburgh, PA
52.	9B North Carolina-Mocko	SAWC Christ Lutheran South, Charlotte, NC, second site
53.	9B North Carolina-Mocko	CUD ELCA –Episcopal Comunidad Amada de Cristo-Winston Salem, NC
54.	9C South Carolina-Carter	SAWC Sobremesa, Columbia, SC
55.	9C South Carolina-Carter	SAWC New Life (Juvenile Prison) Ministry, Columbia, SC
56.	9C South Carolina-Carter	SAWC Women With Purpose, Columbia, SC
57.	9D Southeastern-Fell	SAWC Atlanta Latino Initiative, Atlanta, GA
58.	9E Florida Bahamas-Dubon	SAWC Lord of Life's Latino Mission, Miami, FL
59.	9E Florida Bahamas-Dubon	SAWC Misión Latina de Puertas Abiertas, Miami Springs, FL
60.	9E Florida Bahamas-Graeser	SAWC Castle Church, Kissimmee, FL



# Map of ELCA congregational development



# Map of ELCA congregational development - Approved for 2016



**Percentage Change in U.S. Population from 2016 to 2021**

Dark Blue	5 to 9	(12)
Medium Blue	3 to 5	(16)
Light Blue	0 to 3	(22)
Yellow	-1 to 0	(1)

Projected data not available

Approved for 2016



# Domestic Hunger Initiative (DHI) Projects Update

# AMM PARO

Accompanying Migrant Minors with Protection, Advocacy, Representation and Opportunities

- Kansas City
- LIRS
- Guardian Angels
- Upbring (formerly Lutheran Social Services of the South)
- Lutheran Social Services of New York
- Church World Service



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# Domestic Hunger Initiative (DHI) Projects Update

- 1K Churches
- Leadership Development
  - Pittsburgh: Abiding Ministries
  - Nashville: Christ Kiswahili Lutheran Mission
- Rural Organizing
- Developing Faith communities
- Area Ministry Strategy: Aurora, CO
- Area Ministry Strategy: Appalachia

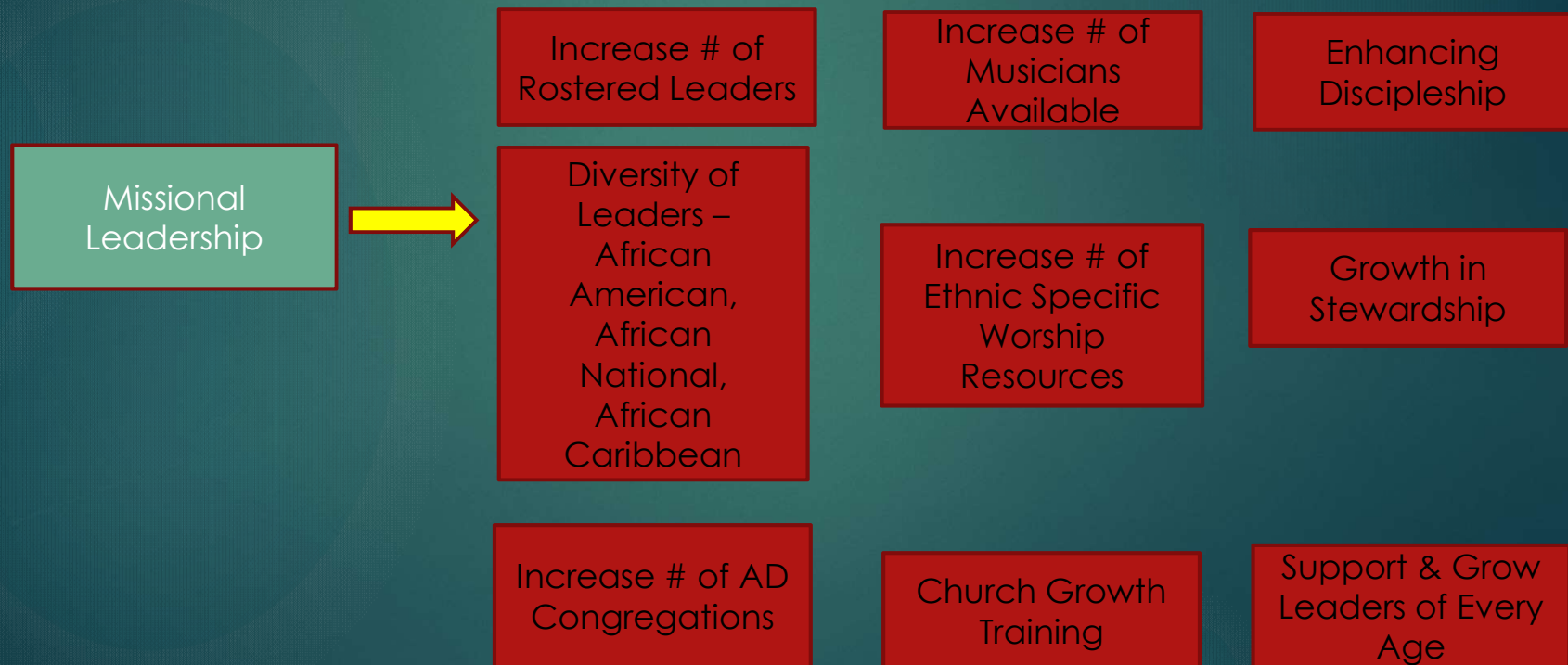




# Proposed Alignment Plan for Strategy Implementation

## African Descent Strategy Team

Accountable for ensuring strategy is implemented (Not responsible for doing it all!)





# Latino Ministry Strategy



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## Advocacy: Convening – Washington, DC, March 27 – 29, 2017

- a. Key issue is immigration and migration.
- b. Partnership with LIRS and the Episcopal Church
- c. We will convene bishops, ecumenical partners and grassroots community leaders.



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# ELCA Youth Gathering: June 27 - July 1, 2018

## a. Theme

This Changes Everything.

Ephesians 2:8 “For by grace you have been saved through faith, and this is not your own doing; it is the gift of God.”



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# ELCA Youth Gathering: June 24 – 27, 2018

- b. MYLE (Multicultural Youth Leadership Event of the ELCA)  
June 24 – 27, 2018

The logo for MYLE features the letters 'm', 'y', 'l', and 'e' in a bold, lowercase, sans-serif font. The 'm' and 'y' are white with black outlines, while the 'l' and 'e' are solid black. The 'l' has a textured, stippled appearance. The letters are set against a solid black background.

MULTICULTURAL YOUTH LEADERSHIP EVENT OF THE ELCA



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# ELCA Youth Gathering: June 24 – 27, 2018

- c. The tAble  
June 24 – 27, 2018



AN ELCA GATHERING OF YOUTH WITH DISABILITIES



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# ELCA Youth Gathering

## d. Video Clip

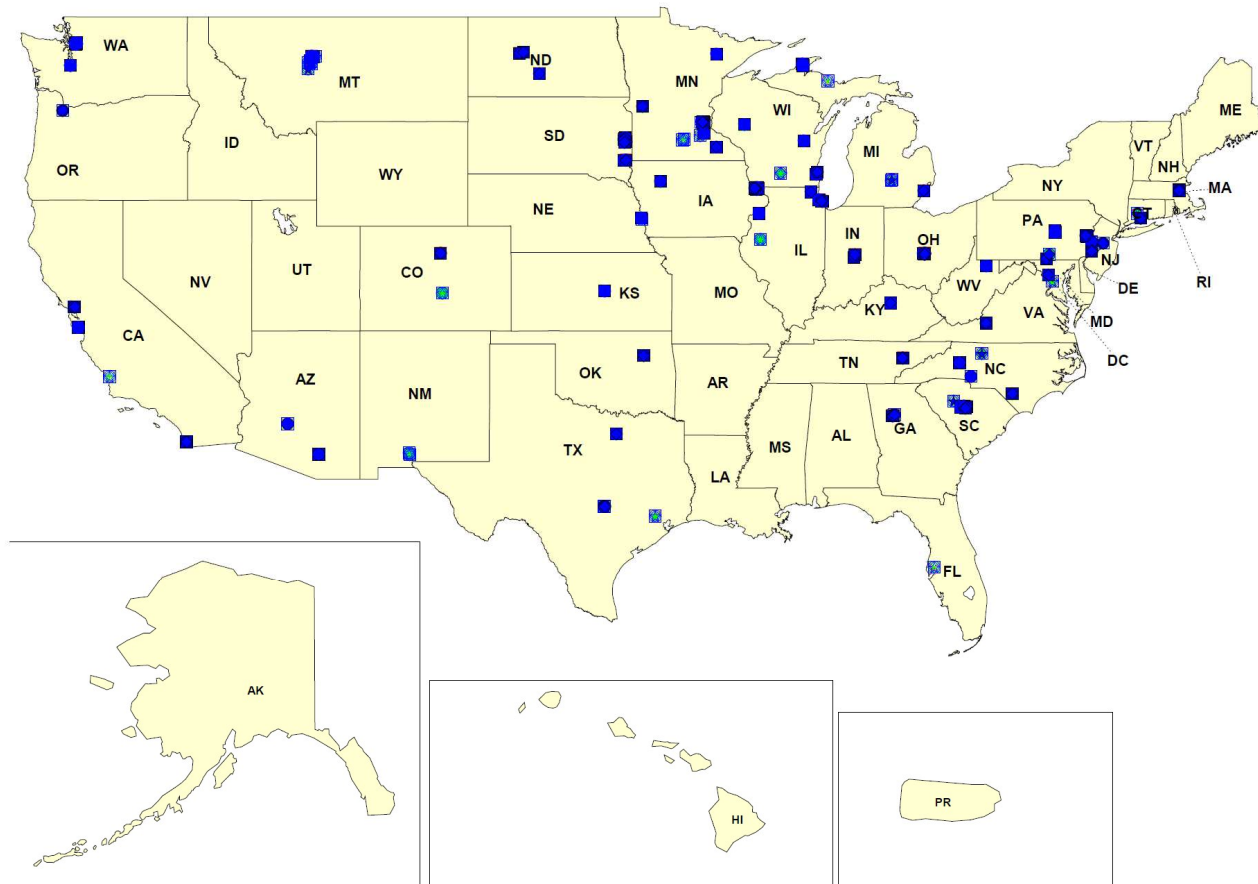
<https://www.youtube.com/watch?list=PLD2BE6D47D7169CB5&v=jUQuw3mWDeQ&noredirect=1>



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# TEAC

## Lay Schools: Faith Formation - Life-long/ across the ages



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# Where Lutheran Disaster Response Has Deployed

## **California**

- 2014 AMMPARO – Southwest California Synod (Guardian Angels)
- 2015 Northern California fires Lutheran Social Services of Northern California

## **Colorado**

- 2013 Sep Flooding – Lutheran Family Services Rocky Mountain

## **Florida**

- 2014 AMMPARO Lawyer and Paralegal – CWS (Church World Service)

## **New York**

- 2012 Hurricane Sandy – Lutheran Social Services of New York
- 2014 AMMPARO Lawyer– Lutheran Social Services of New York

## **Missouri**

- 2015 Jul Flooding - Jefferson County Flooding – Lutheran Family and Children Services
- 2015 Dec Flooding - Southwest MO, St. Louis/Jefferson/Franklin/Charles Counties

## **New Jersey**

- 2012 Hurricane Sandy-Lutheran Social Ministries of New Jersey

## **South Carolina**

- 2015 South Carolina Flooding – Lutheran Services Carolinas

## **South Dakota**

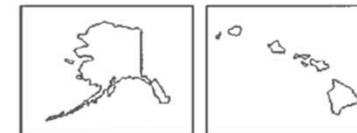
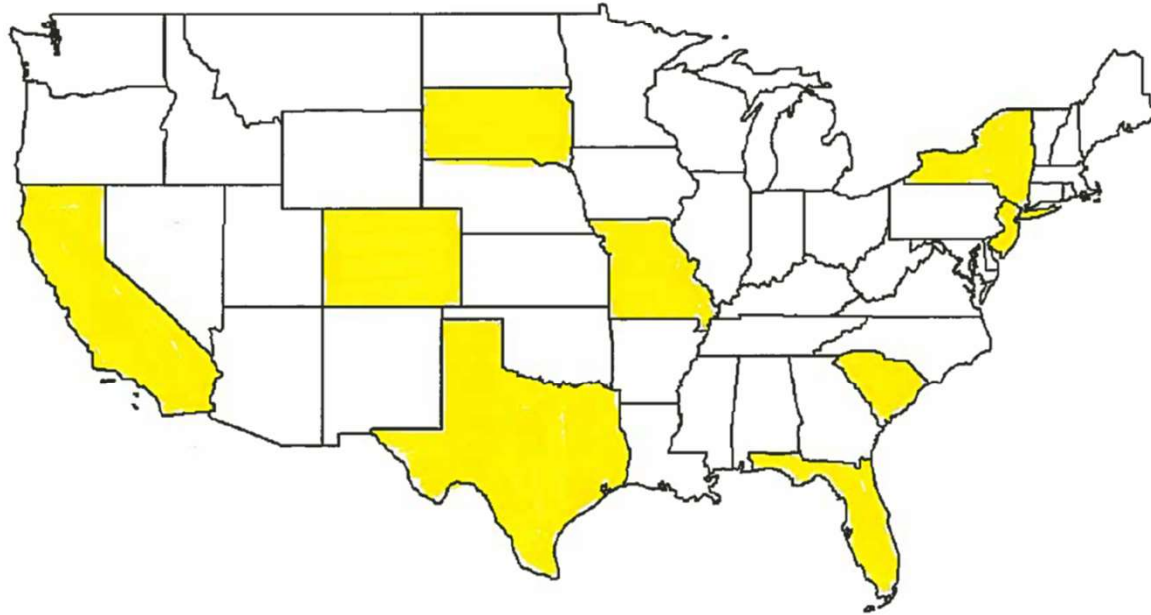
- 2015 Pine Ridge Reservation – Lutheran Social Services of South Dakota

## **Texas**

- 2014 AMMPARO – Upbring (Formerly Lutheran Social Services of the South)
- 2015 May/Nov Flooding – Upbring



# Where Lutheran Disaster Response Has Deployed



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# Directors for Evangelical Mission (DEMs) and Comprehensive Mission Support Strategy



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Thank you!



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Presentation to the  
Church Council of the ELCA  
on the  
**Governance and Structure of  
the ELCA Foundation**

Christina Jackson-Skelton  
November 2016



**ELCA Foundation**  
Evangelical Lutheran Church in America



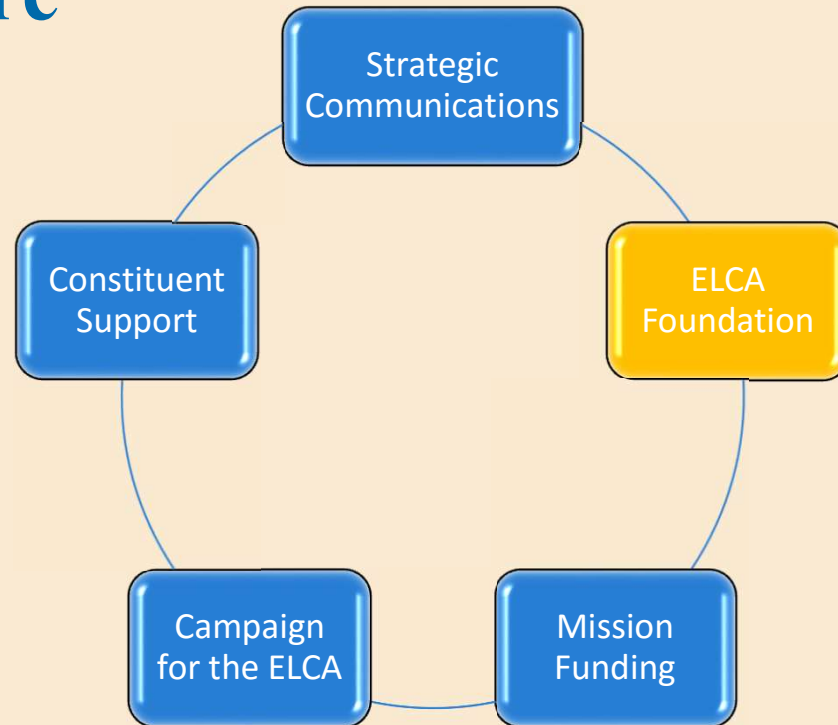
# Proposal

- To establish a task force to consider whether the ELCA Foundation should be separately incorporated from the churchwide organization or otherwise reorganized, and to make recommendations on governance and structure.



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# ELCA Mission Advancement Unit Structure



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## ELCA Foundation Program Assets (primary)

- Charitable Gift Annuity Pool
  - Portico is investment manager
  - \$67 million
- Charitable Remainder Trusts
  - State Street Global Advisers is investment manager
  - \$73 million
- Endowment Fund Pooled Trust
  - Portico is investment manager
  - \$635 million



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## Current Structure – Areas of Concern

- Governance - ELCA Church Council has synod-nominated members elected by ELCA Churchwide Assembly based on representational principles – doesn't guarantee technical investment or business expertise
- Staffing Structure - Donor/participant interests & stewardship best practices can compete with churchwide operations
- Decision Making - Current structure needs more clarity around roles, accountability and decision points
- Protection of Assets – Benefits to all parties



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## 3 consultants asked to prepare reports:

- **Hoogendoorn Talbott** – Trust and Estate Attorneys
  - **Graystone Consulting** – Investments Advisor
  - **Gonser Gerber LLP** – Fundraising and Campaign Counsel
- *Prepared memorandums to address issues and made initial recommendations for the ELCA Foundation to strengthen its oversight of investor and donor asset management*



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## Consultant Presentations

- Hoogendoorn and Graystone Consulting presented their recommendations to key ELCA Leaders on September 22, 2016
  - Presiding Bishop, Treasurer, Legal Counsel(2), Executive for Administration, Foundation Director, Executive Director for Mission Advancement
- Gonser Gerber reviewed reports and responded from development perspective



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# Summary of Consultants' Initial Review of Issues and Recommendations



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# Hoogendoorn Talbot Report

## STRUCTURE RECOMMENDATION

### **Establish separate corporation (“ELCA Foundation”) for fundraising and investments**

- Incorporates functions from Office of the Treasurer and Foundation into new entity
- Includes programs and related assets (CGA, CRT, Endowment)
- ELCA is sole member of corporation
- Similar to other separately incorporated ministries of ELCA
- Use consultant to identify parameters/legal structure of new corporation



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# Hoogendoorn Talbot Report

## GOVERNANCE RECOMMENDATION

### **Separate corporation has own Board of Directors**

- Appointed by the ELCA Church Council
- ELCA members with significant financial, legal, accounting or business experience
- ELCA Treasurer is ex-officio, non-voting member

### **Employees of Corporation**

- Employees raise, invest and manage funds, oversee administration



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# Hoogendoorn Talbot Report

## ADVANTAGES

- Clear chain of command; clear work focus for employees
- Employees and Board members should have specialized skill sets in tax law, accounting, finance, business and investment oversight
- Protect ELCA by separating liabilities
- Financial self-sustainability; transparency of cost and governance structures
- New corporation could become trustee of EFPT and Fund A
- Engender donor/client trust



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# Graystone's Report

## STRUCTURE & GOVERNANCE

**Establish “stand-alone” entity with board and sub-committees;  
remains within oversight of ELCA churchwide organization.**

- Investment committee takes on independent review function (administration, custodial, investment oversight)
- Foundation remains close and integrated with Mission Advancement



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# Graystone's Report

## EXTERNAL THREATS TO ADDRESS

- Slower global market growth means lower forecasted returns and changing client needs; lower-performing Fund A may attract fewer investors
- Increasing competition in investment management will lead clients to demand additional services from us
- Increasing life expectancy challenges CGA/CRT revenue
- Increased expectation of social impact investments



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# Graystone's Report

## ADVANTAGES

- Clear chain of command (Staff to CEO to Board)
- Clear work focus for employees
- Improve internal communication and information flow
- Enhance client services by centralizing client communication and simplifying processes for client statements
- Investment committee meets quarterly to help ELCA respond to challenges and opportunities within capital markets



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# GonserGerber's Report

## STRUCTURE & GOVERNANCE

### **Incorporate but maintain close integration of the Foundation with Mission Advancement staff and functions**

- Donor communications come from Foundation and include impact reporting
- Continue to use accounting and professional investment services outside Foundation; Foundation more involved in investment oversight processes
- Recent integration of functions (such as donor database) and closer collaboration of staff members have had positive impact on ELCA churchwide organization's fundraising outcomes. Continued collaboration could lead to tapping some previously-untapped philanthropic potential in the ELCA



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# Response to Consultant Reports and Next Steps



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## Response to Consultant Proposals

- ELCA Leaders agreed that there should be a review of the structure of the ELCA Foundation with **consideration of separate incorporation**
- Proposed to the creation of a **Task Force** to lead the process and design the future state
- Determined that **ELCA Church Council** is the appropriate party to direct the process & act on any resulting recommendations



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## Proposed Process

- Endowment Fund Board of Trustees (EFBOT) received a report and discussed at Oct 2016 mtg
- Budget Finance Committee of the ELCA Church Council to review reports and forward Task Force Recommendation to Church Council for action at Nov 2016 mtg
- Church Council acts on proposed Task Force with Executive Committee to appoint additional members as needed



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## Proposed Process, cont.

- Initial report and recommendations to EFBOT and Church Council at Spring 2017 meetings
- EFBOT reviews plan and recommended changes, if any, to charter, bylaws, agreements, etc., in October 2017
- Final recommendation, implementation plan and continuing resolution changes to Church Council in November 2017



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## Proposed Action

- To establish a task force to consider whether the ELCA Foundation should be separately incorporated from the churchwide organization or otherwise reorganized, and to make recommendations on governance and structure.



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# DRIFT

## CALLED FORWARD TOGETHER IN CHRIST

ELCA Strategic Directions 2017-2025 13 November 2016  
discussion at the ELCA Church Council meeting

[future@elca.org](mailto:future@elca.org)



**Evangelical Lutheran Church in America**

God's work. Our hands.

## Foreword

Symbolically and strategically it would be great to have a foreword jointly signed by Presiding Bishop Eaton, Bishop Gafkjen, chair of the Conference of Bishops, and William Horne, ELCA vice president. This would help communicate joint commitment and the importance of shared leadership responsibility.

This could be written together after the Church Council discussion.

DRAFT

## Introduction

The Evangelical Lutheran Church in America (ELCA) is one of the largest Christian denominations in the United States, with more than 3.8 million members in over 9,000 congregations across the 50 states and in the Caribbean region. The ELCA formed in 1988 through a merger of three Lutheran churches – The American Lutheran Church, the Association of Evangelical Lutheran Churches and the Lutheran Church in America. However, the ELCA proudly traces its roots back through the mid-17th century, when early Lutherans came to America from Europe, settling in the Virgin Islands and the area that is now known as New York. Well before that, Martin Luther, along with others, sought reform for the church in the 16th century, laying the framework for our beliefs.

As a church deeply rooted in the scriptures, and in Christ, this church continues to be shaped by the changing face of our communities, by new migration patterns and national and global trends impacting religion and society.

In 2017 the ELCA, together with Lutherans around the world, will observe the 500th anniversary of the Lutheran Reformation. This significant milestone provides an opportunity for this church to look back with joy to our deep theological roots and faith traditions, on our history of being a reformed and reforming church and to a future filled with abundant hope and possibilities.

Propelled by commitment to the ELCA's Lutheran heritage and to being a community of faith that is always forming and being renewed, the presiding bishop, Church Council and Conference of Bishops initiated Called Forward Together in Christ in late 2015. The process sought to engage the ELCA in conversation about future directions so that the Church Council might reach decisions that help this church journey faithfully and more effectively together in the years ahead.

Strategic Directions 2025 is the outcome of that process. Participants in Called Forward Together in Christ – from congregations, synods, the churchwide organization and a wide range of ELCA ministries – resoundingly lifted up similar hopes, concerns and ideas about what should be given importance. The goals and priorities that emerged are not entirely new. They reflect what many in the ELCA already see to be important and draw from other discussions in recent years on ELCA's strategic direction, especially Living into the Future Together (LIFT)<sup>1</sup>.

Called Forward Together in Christ has delivered a strategic framework that will serve shared leadership across the ELCA to realize common aspirations and better face the challenges this church faces.

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<sup>1</sup> The Living into the Future Task Force (LIFT I, 2009-2011 and Lift II, 2011-2014)

## Our strategic directions

The ELCA's Strategic Directions 2017-2025 are presented in three parts: The ELCA – who we are: What unites us; Our strategic directions – goals and priorities for the church we are becoming. Together they tell the story of the church we are becoming – a church that is confident about who we are in Christ and what God is calling us to do.

### 1. The ELCA – who we are

Called, gathered and sent into the world to embody the good news of Jesus' death and resurrection, we exist to be a reforming, renewing and reconciling expression of God's grace through life-giving relationships and communities of worship, mercy, justice and service.

#### We are church

We are what God has made us – people whom God has created by grace to live in union with Jesus Christ and has prepared to live faithful, fruitful lives by the power of the Holy Spirit (Ephesians 2:8-10). In Jesus Christ, God has reconciled us to God and to each other. As we gather around word and sacraments, this life in Christ is what defines, shapes and guides us as a community of faith, the church.

By God's grace we can and do live confidently and generously in this community of faith and in service of others, amidst the mysteries and paradoxes of this life in Christ – including our human limitations and failings, and the ambiguities, uncertainties and suffering that we experience.

#### We are Lutheran

We are a church that walks by faith, trusting God's promise in the gospel and knowing that we exist by and for the proclamation of this gospel word. We proclaim Jesus Christ crucified and raised from the dead for the life of the world. As the apostle Paul wrote (Romans 1:16-17), and we echo in our Constitution (2.02), we are not ashamed of this gospel ministry because it is God's power for saving all people who trust the God who makes these promises. "We are to fear and love God, so, that we do not despise preaching or God's word, but instead keep that word holy and gladly hear it and learn it". (Small Catechism)

God's word, specifically God's promise in Jesus Christ, creates this liberated, confident and generous faith. God gives the Holy Spirit who uses gospel proclamation – in preaching and sacraments, in forgiveness and in healing conversations – to create and sustain this faith. As a Lutheran church, we give central place to this gospel message in our ministry.

We understand to be Lutheran is to be ecumenical – committed to the oneness to which God calls the world in the saving gift of Jesus Christ, recognizing the brokenness of the church in history and the call of God to heal this disunity.

#### We are church together

Just as God has joined us to the death and resurrection of Jesus Christ in baptism, we are also joined to others, not only in the ELCA and The Lutheran World Federation (LWF), but in all communities of Christian faith around the world. In Christ none of us lives in isolation from others. Jesus is our peace and has broken down the walls that divide us – walls of judgment, hatred, condemnation and violence – and has made us into one, new human community (Ephesians 2:14-15). This spiritual communion depends only on God's mercy that comes to us in the word and sacraments. That alone is enough for unity, and so we yearn for this communion with all Christians at the Lord's table.

Because God gives us our unity in Christ, we are able to see and respect the diversity within Christ's body. We receive it as a gift and embrace it, rather than treating it as a threat or a problem to be solved (1 Corinthians 12:12-13). We respect and honor the diversity of histories, traditions, cultures, languages and experiences among us in the ELCA and in the larger Christian community of faith. We seek full participation of all in the life and work of this church and will strenuously avoid the culture of any one group becoming the norm for all in the ELCA. And we strive to address the ways that racism, sexism, classism and other forms of injustice limit participation and harm people, communities and the whole body of Christ.

In all these relationships the ELCA serves reconciliation and healing with other Christians, while repentantly acknowledging its failings and wrongs, trusting in God's forgiving mercy.

## We are church for the sake of the world

Christ has freed us from sin and death, even from ourselves, so that we can live as ministers of reconciliation in loving and generous service of our neighbors (2 Corinthians 5:17-18). In Jesus Christ, all of life – every act of service, in every daily calling, in every corner of life – flows freely from a living, daring confidence in God's grace.

Freed by the transformative life of Christ, we support ELCA members as they give themselves freely in transforming service with the neighbor. Through a wide range of daily vocations and ministries, we nurture faith, build alliances and gather resources for a healed, reconciled and just world. As church together, we faithfully strive to participate in God's reconciling work, which prioritizes disenfranchised, vulnerable and displaced people in our communities and the world. We discover and explore our vocations in relation to God through education and moral deliberation. We bear witness to the love of God in Jesus Christ through dialogue and collaboration with ecumenical partners and with other faiths. In all these ministries God's generosity flows through us into the life of the world.

## 2. What unites us as church

### Our shared purpose

*Together in Jesus Christ we are freed by grace to live faithfully, witness boldly and serve joyfully.*

### Our vision

*A world experiencing the difference God's grace and love in Christ makes for all people and creation.*

### Our values

Our values are grounded in faith, in our biblical and Lutheran confessional sources and our love of God and neighbor. They speak to the way this church lives and practices our faith, and they will guide how we journey forward in Christ as church together.

**Forgiveness and reconciliation** – We are reconciled to God by God's forgiving mercy. Forgiveness and reconciliation flow from what God has made us to be in Jesus Christ and what God is doing with us in the world. As a people of God, we embody forgiveness in speech, action and relationships, and our ministry in reconciliation is foundational.

**Dignity, compassion and justice** – Each person is created in God’s image. We respect this God-given right to dignity and, inspired by the life of Jesus, show love and compassion for all people. Through proclamation of the gospel, through worship and as servants of God working for healing and justice in the world, we uphold and seek to protect the dignity and human rights of all people.

**Inclusion and diversity** – As Christ’s church, we value the richness of God’s creation and offer a radical welcome to all people, appreciating our common humanity and our differences. We are a church that does not view diversity as a barrier to unity. We recognize and will challenge dynamics of power and privilege that create barriers to participation and equity in this church and society – for women, people of color, minority ethnic groups, people with disabilities, people who marginalized or living in poverty, and the LGBTQ community.

**Courage and openness to change** – Because we trust in God’s promise and understand faith to be a living, daring confidence in God’s grace, we are emboldened to embrace learning and change in our spiritual and institutional journey as church. This means we are open to new ways and willing to take risks to discover God’s plan for this church.

**Faithful stewardship of God’s creation and gifts** – As church together, faithful stewardship is about holding to God’s purpose and ensuring the responsibilities and resources that God has entrusted to us are used with great care and with accountability to God, to each other and those served by this church.

### Our most important ministries

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In today’s competitive society that creates unrealistic expectations of finding worth through human accomplishments, the most important ministries of this church in the years ahead are:

“Christians live not in themselves, but in Christ and in their neighbor. Otherwise they are not Christians. They live in Christ through faith, in their neighbor through love.” *Martin Luther, “On Christians Freedom” (Luther’s Works, vol. 31, pl. 371*

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**Worship, word and sacraments** – Rooted in evangelical proclamation and sacramental celebration we are a church gathered around worship experiences that are meaningful, authentic and responsive to community contexts

**Faith formation and discipleship** – Honoring our rich traditions, we are a church grounded in the Lutheran confessions inspiring biblical and theological literacy, gospel fluency and daily vocation and ministry through shared experience and life-long learning

**Leadership development** – We are a church strongly committed to formation, education and continuing development and care of lay leaders and rostered ministers.

**Children, youth and young adults** – We are a church dedicated to ministries that engage and affirm children, youth and young adults as an integral part of this church, now and for the future.

**Ministries addressing human suffering and injustice** – In communities and around the world we are an informed church, actively utilizing our many gifts in witness and service in response to human need in our communities, countries and the world

### 3. Our goals and priorities

The goals and priority areas for action set out here are based in a shared trust and hope that the future is in God's hands.

They express what this church has collectively said is important into the future. Identifying priority areas for action provides a focus for shared leadership of this church so it can be more effective in serving God's mission and attending to institutional challenges that stem from being church today.

The "why" of our goals is in the gospel, in the life, death and resurrection of Jesus and deeply embedded in our Lutheran theology and traditions.

In a radically individualistic society, we seek to create and sustain life-giving relationships and communities that connect us to God and to one another.

In a society that is changing and increasingly secular and a world facing continuing interreligious and national tensions, we seek to proclaim the gospel and share the story of Jesus as a source of hope, inclusion, peace and reconciliation.

In a world that misuses power and authority and struggles with conflict and growing inequality, we seek to follow Jesus who publicly spoke up for those who were oppressed and marginalized.

#### *The church we are becoming*

- 1. A thriving church spreading the gospel and deepening faith for all people*
- 2. A church equipping people for their baptismal vocations in the world and this church*
- 3. An inviting and welcoming church that reflects and embraces the diversity in our communities and the gifts and opportunities that diversity brings*
- 4. A visible church deeply committed to working ecumenically and with other people of faith for justice, peace and reconciliation in our communities and around the world.*
- 5. A well-governed, connected and sustainable church*

#### Goal one: A thriving church spreading the gospel and deepening faith for all people

##### Priority areas for action

- ❖ **Church identity** – Develop a deeper and more shared understanding of who we are as a Lutheran church and equip leaders and all the baptized to communicate our theology and beliefs in accessible and compelling ways.
- ❖ **Renew and strengthen evangelism** – Through all expressions of this church, and in accompaniment with global companions, foster new approaches to evangelism that are compatible with being Lutheran and generationally, technologically and contextually relevant and effective.
- ❖ **Church leaders** – Adopt a more strategic and coordinated approach to formation, education and continuing development of lay leaders and rostered ministers, with emphasis on theological fluency and equipping leaders for evangelism and vocations in a wide range of contexts and ministries.

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Acts 1:8, 1 Peter 2:9-10, Matthew 28:16-20, Romans 1:16

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- ❖ **Renewal and formation of congregations and worship communities** – Support and empower congregations and communities of worship through mission planning and development, encouraging a culture of deepening faith, hope and openness to change.
- ❖ **Ecumenical dialogues and relationships** – Continue to be a church deeply engaged in ecumenical dialogue, relationships and partnerships for the sake of Christian unity.

## Goal two: A church equipping people for their baptismal vocations in the world and this church

### Priority areas for action

- ❖ **Baptismal vocation** – Form and equip the baptized to express their faith through their life and witness as followers of Jesus.
- ❖ **Faith formation and practice** – Support and provide resources for life-long faith formation and practice – within households, workplaces and communities – and share learnings about the approaches that deepen faith and bring Jesus into people’s daily lives.
- ❖ **Youth and young adults in mission** – Provide space, support and opportunities for youth and young adults to participate in ministries and pursue their calling.

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Philippians 2:4-11, 1 Corinthians 12:4-7, Romans 6:3-4, Mark 10:13-16

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## Goal three: An inviting and welcoming church that reflects and embraces the diversity of our communities and the gifts and opportunities that diversity brings

### Priority areas for action

- ❖ **An outwardly focused church** – Support congregations and worship communities in actively reaching out to people in their neighborhoods through relationships, in service and with an openness for mutual learning.
- ❖ **Theological and cultural competence of leaders** – Build confidence and competence among lay leaders and rostered ministers to provide an authentic welcome to people from different cultures and circumstances and embrace the ideas and experience they bring.
- ❖ **Church leadership profile** – Pursue a leadership profile that reflects the diversity to which the ELCA aspires and endeavor to match the gifts and experience of leaders to communities and ministries where those gifts are needed.
- ❖ **Addressing discrimination and oppression** – Equip and support leaders at all levels of the church to understand, speak out and act against discrimination based on race, gender, disability, sexual orientation and social status.

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1 Corinthians 12, Ephesians 2:14-20, Acts 10, Galatians 3:26-28

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## Goal four: A visible church deeply committed to working ecumenically and with other people of faith for justice, peace and reconciliation in communities and around the world

### Priority areas for action

- ❖ **Poverty and hunger** – Continue to encourage and harness resources for local, national and global ministries to alleviate poverty and hunger and improve the way this church tells these stories of God’s work in the world – internally and externally.
- ❖ **Response to disasters and humanitarian crises** – Continue to be a church supporting and taking action in local and international response to natural disasters, violence and conflict and assisting the growing number of people affected by displacement and forced migration.
- ❖ **Lifting up the work of ELCA related social ministries** – Build awareness across this church of the important work of ELCA-related social ministry organizations and understanding their work as central to the life of this church.
- ❖ **Advocacy and action on economic justice, racial justice, gender justice and climate justice** – Be a visible witness and agent of change for justice and creation care.

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2 Corinthians 5:14-21,  
John 13:12-15, Isaiah 58:1-11

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## Goal five: A well-governed, connected and sustainable church

### Priority areas for action

- ❖ **Leadership in governance** – Re-examine and strengthen governance of the ELCA to provide for clarity in roles and authority, strong relationships and shared leadership and a culture of willing accountability.
- ❖ **Church structures** – Review church structures to ensure their fit with future needs of the ELCA, with a focus on responsibilities, functions and resourcing of synods and the churchwide organization and how best to support and resource congregations.
- ❖ **Resources for mission** – Develop and take forward a church strategy to grow resources for mission and ministry and ensure distribution and use of resources aligns with roles, expectations and priorities for the whole church.
- ❖ **Communication** – Improve communication across this church in support of proclaiming the gospel, new forms of evangelism, connecting the church as one part of the body of Christ and sharing success stories, experience and learning.

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1 Corinthians 4:1-2, 2 Corinthians  
4:1-2, Micah 6:8, 2 Corinthians 9

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Lay Female		Lay Male	
MAREN HULDEN	17	CLARANCE SMITH	14
MARJ ELLIS	14	JOHN LOHRMANN	7
INGRID SPONBERG-STAFFORD	10	HANS BECKLIN	4
CYNTHIA GUSTAVSON	9	ALLAN BIEBER	4
MERI JO PETRIVELLI	9	GARY PEDERSON	2
AMANDA BRIGGS	5	SETH ZIMMANN	2
CHERYL CHATMAN	4	REID CHRISTOPHERSON	1
EMMA WAGNER	4	GARY GABRIELSON	1
CAROLYN JEWETT	3	JAMES HUSHAGEN	1
EMILEE LE BLANC	2	JAMES JENNINGS	1
PAMELA PRITT	2		
ANDREA MICOVSKY	1		
LESLIE SWENSON	1		

## En Bloc Items

### I. Board Development Committee

### II. Budget and Finance

#### A. Audit Committee Membership

#### CC ACTION [EN BLOC]

##### Recommended:

To approve the appointment of the following to the ELCA Audit Committee for a two-year term expiring in November 2018: Mr. Richard D. Wehrheim III and Mr. James P. Zils.

#### B. Audit Committee Report

#### CC ACTION [EN BLOC]

##### Recommended:

To approve the [report of the ELCA Audit Committee](#) describing their review of the audited financial statements, management letter, and response of management for the churchwide organization's fiscal year ending January 31, 2016.

#### C. Revisions to Resolutions Regarding Authority to Act in Financial Matters

In November 2015, the Church Council adopted CC15.11.45, regarding authority to engage in commercial transactions. It is proposed to make minor revisions and corrections to CC15.11.45 to provide for another person to have the authority in the absence of the treasurer. A revision is also being proposed for CC16.04.16.b1, which is the Appointment of Assistant Officers. Except as revised, CC15.11.45 remains unchanged. The proposed revisions are as follows:

##### 1. Appointment of Assistant Officers

#### CC ACTION [EN BLOC]

##### Recommended:

**RESOLVED**, that for the sole purpose of executing, when necessary, documents approved and authorized in accordance with actions of the Church Council, the following are hereby appointed as assistant vice presidents of this corporation: M. Wyvetta Bullock, Walter S. May, Marcus R. Kunz, and Jodi L. Slattery, to serve until replaced or removed by subsequent appointments, with such subsequent appointments to be based upon the nomination and recommendation of the Presiding Bishop;

**RESOLVED**, that for the sole purpose of executing, when necessary, documents approved and authorized in accordance with actions of the Church Council, the following are hereby appointed as assistant treasurers of this corporation: Cecilia Favela, Christina Jackson-Skelton, Christopher Carpenter ~~Majors~~, and Annette Roman, to serve until replaced or removed by subsequent appointments, with such subsequent appointments to be based upon the nomination and recommendation of the Treasurer;

**RESOLVED**, that for the sole purpose of executing or attesting, when necessary, documents approved and authorized in accordance with actions of the Church Council, the following are hereby appointed as assistant secretaries of this corporation: Phillip H. Harris, ~~Laura L. Knitt~~, Sue E. Rothmeyer, and Thomas A. Cunniff, to serve until replaced or removed by subsequent appointments, with such subsequent appointments to be based upon the nomination and recommendation of the Secretary;

**RESOLVED**, that prior resolutions adopted by this Council, including CC15.04.31b and the prior actions identified in CC15.04.31b, addressing the appointment of assistant officers are hereby rescinded and replaced by this action.

## 2. Authorization to Engage in Commercial Transactions

### CC ACTION [EN BLOC]

#### Recommended:

**RESOLVED**, that the Treasurer, **or in the absence or unavailability of the Treasurer two assistant treasurers**, and any one of the Presiding Bishop (President), Secretary, or Executive for Administration are appointed as a committee having the authority of the Church Council in the management of the business affairs of this corporation to *authorize, approve, and execute* on behalf of this corporation, transactions with a value of \$250,000 or greater, not involving real property or the borrowing of funds, to which the corporation is a party, including, but not limited to, conveyances, assignments, contracts, notes, bills of sale, purchases and sales of securities, and financing statements;

**RESOLVED**, that the Treasurer, or in the absence or unavailability of the Treasurer, any one of the Presiding Bishop (President), Secretary, or Executive for Administration, has the authority of the Church Council in the management of the business affairs of this corporation to *authorize and approve*, on behalf of this corporation, transactions with a value of at least \$30,000 but less than \$250,000, not involving real property or the borrowing of funds, to which the corporation is a party, including, but not limited to, conveyances, assignments, contracts, notes, bills of sales, purchases and sales of securities, and financing statements;

**RESOLVED**, that the Treasurer, or in the absence or unavailability of the Treasurer, any one of the Presiding Bishop (President), Secretary, or Executive for Administration, or in absence of all of the foregoing, any two of the assistant treasurer may *execute*, and the Secretary or any assistant secretary may *attest*, any document required or desirable in connection with a commercial or fiscal transaction of less than \$250,000, not involving real property or the borrowing of funds, to which this corporation is a party, and which has been authorized and approved as provided herein, including but not limited to conveyances, assignments, contracts, notes, leases, bills of sales, purchases and sales of securities, trust documents, and financing statements;

**RESOLVED, that the Treasurer and any one of the Presiding Bishop (President), Secretary, or Executive for Administration are appointed as a committee having the authority of the Church Council in the management of the business affairs of this corporation to *authorize and approve*, on behalf of this corporation, the borrowing of funds or the purchase, acquisition, sale, mortgage, lease, transfer, or other disposition or acquisition of real property (other than the acquisition of real estate within a gift instrument) by the churchwide organization;**

**RESOLVED, that the Treasurer and any one of the Presiding Bishop (President), Secretary, or Executive for Administration, or in absence or unavailability of the Treasurer, any one of the Presiding Bishop (President), Secretary, or Executive for Administration and any one of the assistant treasurers may *execute*, and the Secretary or any assistant secretary may *attest*, any document required or desirable in connection with the borrowing of funds or a commercial or fiscal transaction involving real property to which this corporation is a party, and which has been previously authorized and approved as provided herein;**

**RESOLVED, that the Office of Treasurer keep and maintain appropriate accounting and records of all transactions authorized above and annually report transactions exceeding \$250,000 to the Budget and Finance Committee of the Church Council;**

**RESOLVED, that prior resolutions adopted by this Council, including CC90.4.31, addressing the matters specified above are hereby rescinded and replaced by this action.**

### **III. Executive Committee**

#### **A. Skaalen Retirement Services, Inc.**

Skaalen Retirement Services, Inc. is a social services organization in Stoughton, Wisconsin affiliated with the Evangelical Lutheran Church in America (ELCA) and Lutheran Services in America (LSA). It is the corporate parent of Skaalen Nursing and Rehabilitation Center, Inc., formerly known as Skaalen Sunset Home. Skaalen Retirement Services, Inc. desires to enter into a financing package which would require certain assets of Skaalen Nursing and Rehabilitation Center, Inc. to be used as collateral. A copy of the letter of commitment is [attached](#).

The Articles of Incorporation of Skaalen Nursing and Rehabilitation Center, Inc. provide that it may not mortgage or encumber its assets without the prior consent of the Board of Trustees of the American Lutheran Church (ALC) or its successor. In addition, the Articles of Incorporation of Skaalen Nursing and Rehabilitation Center, Inc. provide that, upon dissolution, its assets shall revert to the ALC or its successor. The ELCA is the successor by merger of the ALC, and the Church Council of the ELCA is the board of trustees of the ELCA.

In addition, some of the property of Skaalen Nursing and Rehabilitation Center, Inc. at issue was deeded to it by the ALC, with the provision that:

It is a condition of this conveyance that should the grantee corporation cease to operate for the purposes for which it is now incorporated, title to the within property shall revert to the grantor, The American Lutheran Church.

In order to go forward with the financing, the bank is requiring that this right of reverter be subordinated to the mortgage, and suspended for the duration of the mortgage. The Office of Legal Counsel has worked out a proposed agreement ([attached](#)) with counsel for the bank and Skaalen Nursing and Rehabilitation Center, Inc., which would suspend the right of reverter and subordinate it to the mortgage, but provide for the right of reverter to continue to exist once the mortgage is paid in full. In addition, if the property were sold while the mortgage was in place, the ELCA would get any proceeds remaining after payment of the mortgage.

Skaalen Nursing and Rehabilitation Center, Inc., accordingly seeks the consent of the ELCA Church Council for the proposed transaction and its assent to the proposed agreement to suspend the right of reverter.

**CC ACTION** [EN BLOC]

**Recommended:**

**To give consent to the proposed financing transaction of Skaalen Retirement Services, Inc. and Skaalen Nursing and Rehabilitation Center, Inc., provided that nothing in the proposed transaction mortgages, pledges, restrains, or otherwise encumbers any assets of the ELCA except as provided in the attached agreement regarding the Skaalen Nursing and Rehabilitation Center, Inc. right of reverter; and**

**To approve the [agreement](#) regarding the Skaalen Nursing and Rehabilitation Center, Inc. right of reverter.**

**IV. Legal and Constitutional Review Committee**

**A. Flexible Benefits Bundle from Portico Benefit Services**

Portico Benefit Services is presenting to Church Council the new plan and trust documents and the changes in benefits to the disability plan and potential expansion in benefits for the health and survivor plans related to the new Flexible Benefits Bundle.

The new Flexible Benefits Bundle for **Non-rostered Lay** members will expand benefit offerings to more **non-rostered lay** workers in the ELCA in a phased rollout. Portico's Board of Trustees reviewed and approved the plan amendments and the new ELCA Retirement Savings Plan and Trust at its August 4 -5, 2016 meeting, and it now comes to Church Council for its consideration. The plan has been shared with the Conference of Bishops.

*Portico Benefit Services Flexible Benefits Bundle Summary*

Portico's new offering provides the ability for sponsoring employers to choose which benefits they want to offer their **non-rostered lay** employees. The benefits are designed to strengthen employee financial, emotional, physical health. Congregations would have the ability to offer retirement, health – including dental, life and/or long term disability – with flexibility to choose which of these benefits are part of their bundled offering to employees. On the retirement side, sponsoring employers can choose between a variety of contribution and vesting options.

By utilizing Portico's size, congregations can:

- Avoid extra fees built into fully-insured health and disability plans, saving about 10 percent;
- Benefit from Portico's ability to negotiate best-in-class administrative fees with vendors; and
- Mitigate the risk of unpredictable changes in health plan costs for small employers.

Congregations have the ability to put Portico expertise to work:

- Negotiating contract renewals;
- Monitoring vendor performance and price;
- Guiding congregations through regulatory changes like the Affordable Care Act;
- Enabling easy decision-making online;
- Investing options that include social purpose investments aligned with the ELCA's social criteria;
- Communicating directly with employees; and
- Utilizing Portico's nationally-recognized customer care center, which is a recognized Certified Center of Excellence in 2015 and one of the Top 100 Call Center in America in 2016.

**CC ACTION** [EN BLOC]

**Recommended:**

**To approve the Flexible Bundle for Non-rostered Lay Members first as a pilot program and, if successful, across the ELCA; and**

**To direct Portico Benefit Services to take actions required to create the ELCA Retirement Savings Plan and Trust, and to amend the ELCA Medical and Dental Plan, ELCA Disability Benefits Plan and ELCA Survivor Benefits Plan, to accommodate the Flexible Bundle for Non-rostered Lay Members.**

**B. Lutheran Services in America Bylaw Changes**

Over the past two decades, Lutheran social ministry organizations have faced dramatic challenges, such as increasingly complex regulations as well as major changes in funding and service delivery. These challenges have led the leadership and the Board of Directors of Lutheran Services in America (LSA) to re-examine its governance structure to see if that structure should be amended to address current realities and to ensure a sustainable network of Lutheran social ministry in the future. This process resulted in the preparation of a "[Case for Change](#)", which describes those changed realities and recommends significant amendments to the [LSA bylaws](#) with respect to the structure of the Board of Directors, as well as other modifications intended to improve the organization's governance process.

LSA President and CEO Charlotte Haberaecker has worked diligently and carefully with her Board and with representatives of the church bodies in formulating the concepts underlying the Case for Change. With the encouragement of the church bodies and the Board, the [proposed bylaw amendments](#) responsive to the Case for Change were drafted by former LSA Board member and George Washington University Law Professor Bob Tuttle and former ELCA Secretary and current LSA Board member David Swartling. The proposed amendments were then distributed for review and comment. Thereafter, on October 19, 2016, the LSA Board of Directors adopted the following motion: "That the Board of Directors endorse the Case for Change and recommend that the Members approve the proposed bylaw amendments that address Board composition and related governance issues."

LSA now seeks approval of the ELCA Church Council, as well as the Lutheran Church-Missouri Synod, so that the proposed bylaw amendments may be submitted for approval to the annual meeting of LSA member organizations in May 2017.



**CC ACTION** [EN BLOC]

**Recommended:**

**To endorse the Case for Change adopted by the Board of Directors of Lutheran Services in America, approve the proposed bylaw amendments that address Board composition and related governance issues, and recommend to the Member organizations that the proposed bylaw amendments be approved at the 2017 annual meeting; and**

**To recognize, affirm, and give thanks for the ministry of Lutheran Services in America and for the leadership of its staff and Board of Directors.**

**C. 1517 Media Restated Articles of Incorporation and Bylaw Changes**

In accordance with ELCA bylaw 17.40.02., the Publishing House of the ELCA is seeking the approval of its [proposed amendments](#) to the Articles of Incorporation and bylaws by the ELCA Church Council. The articles and bylaws are being updated to reflect the DBA (Doing Business As) 1517 Media, the office location as 510 Marquette Avenue, and the corporation's use of the Sparkhouse Family name. The Board of Trustees approved the amendments at its Nov. 4, 2016 meeting.

**CC ACTION** [EN BLOC]

**Recommended:**

**To approve the amendments to the Publishing House of the ELCA Articles of Incorporation and bylaws as proposed by its Board of Trustees.**

**D. Mission Investment Fund Bylaw Changes**

In accordance with ELCA bylaw 17.40.02., the Mission Investment Fund is seeking the approval of its [proposed amendments](#) to its bylaws by the ELCA Church Council. The Board of Trustees approved the amendments at its fall meeting.

**CC ACTION** [EN BLOC]

**Recommended:**

**To approve the amendments to the Mission Investment Fund bylaws as proposed by the Mission Investment Fund Board of Trustees.**

**E. Independent Lutheran Organizations**

The Legal and Constitutional Review Committee received the applications for [Lutheran World Relief](#) (LWR), [Lutheran Immigration and Refugee Service](#) (LIRS) and [Lutheran Educational Conference of North America](#) (LECNA) to be recognized as independent Lutheran organizations.

The listing of Inter-Lutheran Organizations has appeared in the ELCA Yearbook since the formation of this church. Recently a request to be included in this section by another organization brought to light that there is no policy or definition of what an Inter-Lutheran Organization should be. In conversations with former ELCA Secretaries Lowell Almen and David Swartling it was revealed that there has never been a written definition of this category. It appears that the churchwide organization did, at one time, have the responsibility of selecting members of governing boards of these organizations. Most of them have now moved to a process of self-sustaining boards so that relationship no longer exists.

Thus, Secretary Boerger has removed the classification of Inter-Lutheran Organization from the yearbook. The most appropriate category to describe this relationship is that of an



Independent Lutheran Organization. The policy for these organizations is that they apply for such recognition, relate to a unit or office of this church and be approved by the Church Council as an Independent Lutheran Organization.

All of those currently classified Inter-Lutheran Organizations were invited to apply for this new classification, except Lutheran Services in America. All but Lutheran Film Associates has made this application. 8.41. establishes that the Church Council shall adopt policies and procedures related to these organizations. The applications from these organizations is consistent with these policies and procedures.

Lutheran Services in America (LSA) will now have its own category to list and describe its work in the yearbook. Even with the proposed changes to the LSA governing documents, we continue to have a role in the governance of this organization.

**CC ACTION** [EN BLOC]

**Recommended:**

**To approve the applications of Lutheran Immigration and Refugee Service, Lutheran World Relief and Lutheran Educational Conference of North America to be Independent Lutheran Organizations according to the policies of this church.**

**F. United Lutheran Seminary Proposed Bylaws**

The governing bodies of Lutheran Theological Seminaries at Gettysburg (LTSG) and Philadelphia (LTSP) have agreed to consolidate the two seminaries into one seminary to be called United Lutheran Seminary.

“Original plans to consolidate the two existing schools by closing both and creating a new entity were modified at the counsel of Pennsylvania’s Department of Education. In order to preserve licensure and full accreditation, the Department advised that the new school adopt and adapt the existing corporate structure of one of the two schools and have the other join the new venture by closing and transferring its assets. The boards reviewed multiple factors in adopting a plan forward including the schools’ current accreditation status, the complexity of the corporate structures at each school, the transferability of restricted endowments, and the desire to preserve the historical legacy of both schools by retaining the oldest charter. In order to strengthen the mission of the existing schools by creating United Lutheran Seminary hosted on two distinct campuses, the boards decided to use the corporate entity of the seminary in Gettysburg as the continuing educational corporation. The Gettysburg school will therefore adopt revised bylaws this fall that create a new board of directors constituted by the synods of both supporting regions of the ELCA and additional members appointed by the ELCA’s Church Council. Degrees currently offered by both schools are expected to be retained, and all current students are guaranteed a pathway to complete their degrees without interruption.” ([http://www.ltsg.edu/about-us/news/2016/united\\_lutheran-seminary](http://www.ltsg.edu/about-us/news/2016/united_lutheran-seminary))

The United Lutheran Seminary will remain in partnership with six other seminaries of the ELCA. Pursuant to 8.21.02 of the Constitution, Bylaws, and Continuing Resolutions of the ELCA, the [proposed bylaws](#) must be submitted to the Church Council for approval. The proposed bylaws comport with 8.21.03 of the Constitution, Bylaws, and Continuing Resolutions of the ELCA, which set forth certain requirements regarding the election of trustees to the board of the seminary.

**CC ACTION** [EN BLOC]

**Recommended:**

**To approve the proposed bylaws of The Lutheran Theological Seminary at Gettysburg, to be subsequently known as United Lutheran Seminary.**

**G. Synod Constitution Amendments**

Provision 10.12. of the *Constitution, Bylaws, and Continuing Resolutions of the Evangelical Lutheran Church in America* stipulates: “Each synod shall have a constitution, which shall become effective upon ratification by the Church Council. Amendments thereto shall be subject to like ratification . . . .”

**CC ACTION** [EN BLOC]

**Recommended:**

**To ratify the following amendments to the constitution of the Sierra Pacific Synod:**

**S9.04.** The bishop shall be elected by the Synod Assembly by ecclesiastical ballot. Three-fourths of the legal votes cast shall be necessary for election on the first ballot. ~~All persons receiving legal votes shall be reported in written form after the first ballot, together with the number of legal votes each received. The second ballot shall list all persons who received legal votes on the first ballot, except those who have asked that their names not be considered, but members may still vote for any eligible person even if that person did not receive legal votes on the first ballot. On the second ballot, three-quarters of the legal votes cast shall be required for election, and the results shall be reported in written form. Beginning with the third ballot, only those who have received 5% of the legal votes on the previous ballot shall be listed; but through the fifth ballot members may cast a write in vote for any eligible person, even if not listed on the ballot. All persons receiving legal votes shall be reported in written form to the Assembly, together with the number of legal votes each received. On the third ballot, 2/3 of the legal votes cast shall be required for election. On the fourth ballot, 60% of the legal votes cast shall be required for election. On the fifth and subsequent ballots, a majority of the legal votes cast shall be required for election. If no one is elected through five ballots, the sixth ballot shall be limited to the three persons (plus ties) who received the greatest number of legal votes on the fifth ballot and no votes for other persons shall be considered legal; the seventh and subsequent ballots, if necessary, shall be limited to the two persons (plus ties) who received the greatest number of legal votes on the immediately preceding ballot and no votes for other persons shall be considered legal.~~

If no one is elected, the first ballot shall be considered the nominating ballot. The second ballot shall list all persons who received legal votes on the first ballot, except for those who have asked that their names not be included for further consideration in the election process by notifying the Chair of the Elections Committee within two hours of the announcement of the results of the first ballot. Three-fourths of the legal votes cast on the second ballot shall be necessary for election. The third ballot shall be limited to the seven persons (plus ties) who received the greatest number of legal votes on the second ballot, and two-thirds of the legal votes cast shall be necessary for election. The fourth ballot shall be limited to the three persons (plus ties) who receive the greatest number of legal votes on the third ballot, and 60 percent of the legal votes cast shall be necessary for election. On subsequent ballots a majority of the legal votes cast shall be necessary for election. These ballots shall be limited to the two persons (plus ties) who receive the greatest number of legal votes on the previous ballot.

**CC ACTION** [EN BLOC]

**Recommended:**

**To ratify the following amendments to the constitution of the Eastern North Dakota Synod:**

- S9.04.** The bishop shall be elected by the Synod Assembly. Three-fourths of the legal votes cast shall be necessary for election on the first ballot. If no one is elected, the first ballot shall be considered the nominating ballot. Three-fourths of the legal votes cast on the second ballot shall be necessary for election. The third ballot shall be limited to the seven persons (plus ties) who received the greatest number of legal votes on the second ballot, and two-thirds of the legal votes cast shall be necessary for election. The fourth ballot shall be limited to the three persons (plus ties) who receive the greatest number of legal votes on the third ballot, and 60 percent of the legal votes cast shall be necessary for election. On subsequent ballots a majority of the legal votes cast shall be necessary for election. These ballots shall be limited to the two persons (plus ties) who receive the greatest number of legal votes on the previous ballot.
- a. **A sitting bishop must submit written notification to the synod nominating committee at least 120 days prior to the Synod Assembly as to his/her intentions for seeking another term.**
  - b. In preparation for a regular or special Synod Assembly at which the election of the bishop is to occur, congregations of the synod, 100 days in advance of such an assembly, may submit the names of up to three ordained ministers of the Evangelical Lutheran Church in America to the secretary of the conference of which the congregation is a part.
  - bc. The secretary of the conference, with the other officers of the conference, shall tabulate the names submitted by congregations and report the results to the synodical Nominating Committee no less than 90 days in advance of the regular or special Synod Assembly. **Basic biographical information will be made available at the conference assemblies for each of the candidates being brought forward. At the conference assembly, there will be a write in option. Any voting member at the conference assembly may submit the name of any minister of Word and Sacrament in the Evangelical Lutheran Church in America as a nominee for consideration for the position of synodical bishop.**
  - ed. Sixty-five days in advance of the regular or special Synod Assembly at which the bishop is to be elected, conference assemblies shall be held to vote on a maximum of seven names per conference from a list as tabulated from conference reports to the synodical Nominating Committee.

...

*[Update lettering of subsequent paragraphs in provision S9.04.]*

**H. Approval of ELCA Continuing Resolutions**

The Worship staff moved from Domestic Mission unit to the Office of Presiding Bishop. The other amendment is regarding the name change for Augsburg Fortress.

**CC ACTION** [EN BLOC – Two-thirds approval required]

**Recommended:**

**To adopt *en bloc* the following amendments to continuing resolutions of the Constitutions, Bylaws, and Continuing Resolutions of the Evangelical Lutheran Church in America:**

**15.12.H16. Responsibility for Worship**

**Responsibility for leadership of the worship life of this church shall be exercised by the Office of the Presiding Bishop. In doing so, efforts shall be undertaken to support**

*the worship ministry of the church, oversee the development and review of worship resources intended for use throughout this church, and recommend, through the presiding bishop, policies related to worship and sacramental practices to the Church Council and the Churchwide Assembly.*

- a. To fulfill these responsibilities, the executive for worship, appointed by the presiding bishop, shall:*
- 1) assist the presiding bishop of this church in carrying out the role of presiding over the ministry of Word and Sacrament;*
  - 2) introduce and interpret worship resources developed for use throughout this church;*
  - 3) direct this church's process for liturgical review in accord with policy adopted by the Church Council;*
  - 4) study and advise this church in matters of sacramental practice;*
  - 5) assist the synods, congregations and churchwide units of this church in carrying out the ministry of worship, maintaining a network of partners in order to be responsive to the diversity of worship practices of this church;*
  - 6) develop and implement worship for churchwide assemblies and other churchwide events;*
  - 7) represent the presiding bishop and the churchwide organization to other church bodies on matters related to worship; and*
  - 8) be responsible for the Lutheran Center Chapel and for providing worship opportunities for the churchwide organization.*
- b. The executive for worship shall provide, through the Publishing House of the Evangelical Lutheran Church in America, worship resources and shall support the development of a variety of congregational resources that are consistent with the proclamation, prayer, worship, and sacramental practices of this church.*

**16.12.A16. Domestic Mission Unit**

*The Domestic Mission unit shall foster and facilitate the work of synods, congregations, and partners in making congregations vital centers for mission and in creating coalitions and networks to promote justice and peace. Its work includes creating and revitalizing congregations; leadership development; ~~providing worship and liturgical resources~~; enhancing discipleship; supporting multicultural ministries and the commitment of this church to inclusivity; fostering relationships with educational partners; facilitating the engagement of this church in advocacy; and related activities that serve the evangelical mission of synods and congregations. The Domestic Mission unit shall relate to the Deaconess Community, Lutheran Men in Mission, National Lutheran Campus Ministry, Inc., Educational and Institutional Insurance Administrators, Inc., and the Evangelical Lutheran Education Association.*

**17.40.A11.A16. Responsibilities of the Publishing House of the ELCA**

*The Publishing House of the Evangelical Lutheran Church in America—also known as ~~Augsburg Fortress, Publishers 1517 Media~~—shall:*

- a. be responsible for the publishing, production, and distribution of publications to be sold to accomplish the mission of this church.*
- b. work in close cooperation with congregations, synods, and the churchwide organization to provide a diversity of published resources.*
- e. ~~relate to other work with~~ churchwide units ~~through resource planning groups to plan the publication of materials~~ to assist congregations in fulfilling their life in*

- mission. shall be developed in coordination with other appropriate churchwide units. Development costs will be paid by the unit developing the publication.*
- d. develop, produce, and distribute materials required to carry out its functions.*
  - e. be financed from the sale and distribution of materials, not from the budget of this church.*
  - f. create, develop, and publish a diversity of resources in various media; make available other publications, materials, and church supplies; produce the official documents and publications of this church; and produce materials in a manner that assures their ready availability.*
  - g. establish a distribution center, as well as utilize other means provide for the wide distribution of resources within and beyond this church.*
  - h. manage its finances and other resources in a manner that assures the continuity and extension of its activities. This publishing house shall maintain its own accounting, data processing, personnel, pension, information technology, human resources, employee benefits and other functions essential to a cohesive, efficient, and effective operation.*
  - i. identify and nurture talented authors, composers, artists, and others involved in creating various media.*
  - j. produce and distribute the church periodical in accord with provisions of this church's constitution, bylaws, and continuing resolutions.*
  - k. determine its necessary financial reserves, appropriations, and publishing subsidies.*
  - l. make available resources to meet unique language and cultural needs, as feasible.*

## V. Planning and Evaluation

### VI. Program and Services

#### A. Revision of Candidacy Manual (Process)

At the 2016 ELCA Churchwide Assembly, the roster of the Word and Service ministry was adopted. To comply with the implementation of that new roster, changes have been made to the Candidacy Manual. The new roster becomes effective on January 1, 2017.

#### **CC ACTION** [EN BLOC]

##### **Recommended:**

**To adopt the revised Candidacy Manual, effective January 1, 2017; and  
To authorize the Domestic Mission unit, in consultation with the Office of the Secretary,  
to make any necessary corrections for clarity and accuracy.**

#### **B. Assessing the need for and feasibility of initiating social message processes**

Three resolutions called upon the ELCA's Theological Discernment Team to bring to the Church Council an assessment and possible recommendation regarding the need for and feasibility of developing social messages on the following topics:

- 1) "Genetics, Faith, and Responsibility" Implementing Resolution (IR) #8: Regenerative medicine (CA11.04.17).
- 2) "The Church and Criminal Justice: Hearing the Cries" IR #9: U.S. national drug policy (CA13.05.17).
- 3) "Statement on Aging" (CC14.11.32)

An extension was granted until fall of 2016 to conduct the required research to determine the need for and feasibility to initiate social message processes. Since that time, it has been determined that there is no longer a need for a regenerative medicine social message. In addition, another new social message on human rights has been identified as taking priority over the U.S. national drug policy and aging. Since it is only feasible to develop one social message at a time, the staff assessment is to put priority on the human rights social message and to delay consideration of U.S. national drug policy and aging until fall of 2017.

**CC ACTION** [EN BLOC]

**Recommended:**

**To decline the request for a social message on regenerative medicine as such a message is now dated and of restricted value to a majority of ELCA members or to a public discussion;**

**To affirm the prioritizing of a social message on human rights with a target date for Church Council consideration by its November 2017 meeting; and**

**To defer the questions of developing a social message on U.S. National Drug Policy or aging until the November 2017 Church Council meeting when a new assessment of each issue, staff capacity and finances will be made.**

**C. Advisory Member Appointments to Women and Justice: One in Christ Social Statement Task Force**

At its April 2012 meeting, the Church Council appointed Ms. Pamela Pritt and Pr. Robert Moore [CC12.04.16] to serve as Church Council advisory members to the “Women and Justice: One in Christ” social statement task force. Pr. Robert Moore has since resigned from Church Council. Program and Services Committee recommends the appointment of Leslie Swenson and Jim Utt to fill the vacated position.

**CC ACTION** [EN BLOC]

**Recommended:**

**To appoint Ms. Leslie Swenson and the Rev. James Utt as advisory members on the “Women and Justice: One in Christ” social statement task force.**

**D. Corporate Social Responsibility Documents**

Every year, Church Council reviews three issue papers and one social criteria investment screen. This year revisions were made to several documents for this church’s ongoing work in corporate social responsibility. Program and Services Committee reviewed the documents in its committee meeting.

**CC ACTION** [EN BLOC]

**Recommended:**

**To approve the amendments to the following corporate social responsibility documents to serve as the basis for ongoing corporate social responsibility work in this church:**

- **Social Criteria Investment Screen Policies and Procedure Development;**
- **Gambling Social Criteria Investment Screen;**
- **Issue Paper Policies and Procedure;**
- **Genetics Issue Paper;**
- **International Access to Healthcare Issue Paper;**

- **Sustainability Issue Paper; and**  
**To request that the original issue papers be archived for historical and research purposes.**

## **VII. Other Items**

### **A. Church Council Nominations and Elections**

The Church Council has the responsibility of electing people to fill terms on boards of Separately Incorporated Ministries (SIM), social ministry organizations, and seminaries. Bylaw 8.21.03. and 8.21.04. outlines basic parameters for the election of members to the boards of ELCA seminaries.

Pursuant to 14.15. of the *Constitution, Bylaws, and Continuing Resolutions of the Evangelical Lutheran Church in America*, the Church Council is also to elect nominees to a vacancy on a board or committee of the churchwide organization.

Biographical information is provided in [Biographies](#).

### **CC ACTION [EN BLOC]**

#### **Recommended:**

**To elect to the board of directors of National Lutheran Campus Ministry, Inc. for a four-year term expiring in 2021: The Rev. William E. Bentzinger II, Mr. Thomas T. Chase Jr. and the Rev. Joan A. Conroy.**

**To re-elect to the board of directors of National Lutheran Campus Ministry, Inc. for a second four-year term expiring in 2021: Ms. Karen Sumner and the Rev. Robert G. Wollenburg.**

### **CC ACTION [EN BLOC]**

#### **Recommended:**

**To elect to the board of trustees of the Endowment Fund of the Evangelical Lutheran Church in America for a one-year, renewable term expiring in November 2017: The Rev. Glenn D. Miller.**

**To elect to the board of trustees of the Endowment Fund of the Evangelical Lutheran Church in America for a five-year term expiring in November 2021: Mr. Eric Brudos.**

### **CC ACTION [EN BLOC]**

#### **Recommended:**

**To approve the designation of the following members of the board of directors of The Evangelical Lutheran Good Samaritan Society as representatives to the ELCA: Mr. David J. Horazdovsky [president], Mr. H. Theodore Grindal [term ending in 2018], Dr. Gwen Wagstrom Halaas [term ending in 2019] and Mr. Dale M. Thompson [term ending in 2018].**

### **CC ACTION [EN BLOC]**

#### **Recommended:**

**To elect to the board of directors of The Lutheran School of Theology at Chicago to a three-year term expiring in 2020: Ms. Karen M. McClain.**

### **CC ACTION [EN BLOC]**

#### **Recommended:**

**To elect to the board of directors of Lutheran Theological Seminary at Gettysburg to a two-year term expiring in 2018: The Rev. J. Elise Brown and Mr. David A. Russell.**

**To elect to the board of directors of Lutheran Theological Seminary at Gettysburg to a three-year term expiring in 2019: The Rev. Charles S. Miller and Ms. Nancy Z. Mock.**

**To elect to the board of directors of Lutheran Theological Seminary at Gettysburg to a four-year term expiring in 2020: Ms. Kris Hansen-Kieffer and the Rev. Audrey E. Moody.**

**CC ACTION [EN BLOC]**

**Recommended:**

**To nominate to the advisory council of Lutheran Theological Southern Seminary as part of Lenoir-Rhyne University to a three-year term expiring in 2020: The Rev. Lowell G. Almen and the Rev. Howard D. Stendahl.**



# ELCA Global Mission

ELCA Church Council  
November 11<sup>th</sup>, 2016



**Evangelical Lutheran Church in America**  
God's work. Our hands.



# WHY DOES GLOBAL MISSION EXIST? ELCA CONSTITUTION:

*The Global Mission Unit shall provide integrated support of this church's work in other countries and be the means through which churches in other countries engage in mission to this church and society.*



Evangelical Lutheran Church in America  
God's work. Our hands.

# WHAT DOES GM DO? IMPACT STATEMENT

*Global Mission makes an impact by touching people's lives for the flourishing of human community.*



Evangelical Lutheran Church in America  
God's work. Our hands.

# ELCA GLOBAL MISSION IMPACT

- Of the 146 churches that are members of the Lutheran World Federation, ELCA relates to over 85 of them in 94 countries.
- 230 Missionaries serving in 48 countries.
- Over 450 grants GM directly manages
  - Over 200 Fund 1 grants
  - Over 250 World Hunger grants
  - Includes grants to LWF, CWS and LWR



# Serbia: Post-Flood rehabilitation

The project has been implementing activities in following three sectors:

- Local resource mobilization
- Income generation
- Housing.



Evangelical Lutheran Church in America  
God's work. Our hands.



# Dragica's house before and after



**Evangelical Lutheran Church in America**  
God's work. Our hands.

# Serbia: Project Reporting

POST FLOODS REHABILITATION VIA COMMUNITY MOBILIZATION	
<p><b>FAMILY:</b> Dragica Jovanovic  <b>ADDRESS:</b> Savska 115, Misar settlement, City of Sabac            No. of family members: 2 (1 women, 1 men, single mother, person with disability)            No. Of children: 1</p>	<h1>17</h1>
EMPLOYMENT COMPONENT	
<p><b>Grant :</b> - Car            - Registration            - Small house appliances</p>	
<p><b>Use:</b> selling second and new small house appliances</p>	
<p><b>Previous experience:</b> YES, more than 15 years</p>	
<p>Grant is jointed with his father Slobodan Stefanović            Value of the grant:  <b>€ 2.700</b></p>	
HOUSING COMPONENT	
<p><b>Project budget for Srdan Stefanović family:</b>            - sanitation and housing            - walls thermal insulation            - water supply</p>	
<p><b>Project phases of house up grading:</b>            - Building a septic tank            - Roof reconstruction            - Installing new windows            - Building additional room            - Walls thermal insulation            - Water supply</p>	
<p>Value of the grant:  <b>€ 6.920</b></p>	
	
<p>HOUSE BEFORE INTERVENTION 2015.</p>	<p>HOUSE AFTER INTERVENTION 2016.</p>



**Evangelical Lutheran Church in America**  
 God's work. Our hands.



# Serbia: Post-Disaster Income Generation



**Evangelical Lutheran Church in America**  
God's work. Our hands.



# God's Vulnerable People on the Move



Evangelical Lutheran Church in America  
God's work. Our hands.

# God's Vulnerable People on the Move



**Evangelical Lutheran Church in America**  
God's work. Our hands.

# Serbia – A Country of Transit and Home to Many Roma



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# Serbia – Asylum Protection Center



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# Serbia – Asylum Protection Center



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# Serbia – Shelter for Refugees



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# Egypt: St. Andrew's Refugee Service



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- Programs in Honduras, Guatemala and El Salvador are addressing root causes of migration and assistance to those deported
- Promotion of the Welcoming Congregation program in 10 new synods
- Expansion of the Guardian Angel program in those places where the program can be implemented
- Development of an advocacy strategy both in the US and in the Northern Triangle of Central America and Mexico



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# AMMPARO: Supporting Returned Unaccompanied Minors - Honduras



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# AMMPARO - Supporting Small Business in El Salvador



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R500: “Cada Cubano con un Cuadro de  
Martín Lutero en su Casa” *José Martí*



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## **Case for Change in Lutheran Services in America's Board Governance Structure**

As Lutherans, we believe that we are saved by God's grace and free to love and care for our neighbor. In response to God's grace, Lutherans have been identifying unmet needs in their communities and working to meet them for generations. Today, Lutheran Services in America, Incorporated (LSA) leads a nationwide network of 300 Lutheran social ministry organizations that serves 1 out of every 50 people in the country. This paper provides a case for change in LSA's board governance structure to ensure a thriving, sustainable network of Lutheran social ministry organizations that are connected to each other and to the church for generations to come.

### **I. Background**

LSA was created in 1997 by the Evangelical Lutheran Church in America (ELCA), The Lutheran Church-Missouri Synod (LCMS), and the social ministry organizations (SMOs) that are affiliated with the ELCA and/or recognized by The LCMS. The two national church bodies and the approximately 300 SMOs are "member-owners" of LSA with governance rights including approval of LSA's budget and changes in LSA's Bylaws. In addition, the two national church bodies approve all members of LSA (note, LSA approves associate members but they do not have any governance rights).

An 18-person Board of Directors was created in 1997 that included 9 member CEOs elected by member CEOs and 9 people appointed by the two national church bodies. This reflected the fact that the majority of the funding (and initial staffing) for LSA came from the ELCA and LCMS. In 2009, two additional board member positions were added that are elected by the Board for a total of 20 Board of Director positions.

LSA strengthens SMOs so they are thriving and resilient and have strong connections with each other and the church. LSA's vision is a network of strong, connected and thriving Lutheran social ministries that transform the lives of people and communities. LSA members have a shared Lutheran heritage and shared values which create a deep trust and openness that allows LSA members to work collectively as a powerful network to improve the lives of people and communities.

### **II. Evolution of the LSA Network**

Over the past 19 years since LSA was created, there have been dramatic changes affecting Lutheran social ministry organizations, for example:

- Increased complexity and regulations which is particularly significant since most of our members receive a substantial amount of their funding from government sources
- Sea change in members' funding and the way that funding is provided (e.g., from fee for service to risk-based pricing)
- Technological advances
- Major changes in service delivery (e.g., from residential to home and community-based services) which is a significant shift for our members given the LSA network's long-standing presence in residential care
- Expanded for-profit competition, for example, our senior services members have to cope with for-profit competitors who have access to significant capital but do not have our commitment to chaplains that provide spiritual care or funding for benevolent care to continue serving seniors in nursing homes who run out of money

As a result, the speed of change and transformation in the SMOs is enormous and members are facing difficult choices. For example, Lutheran Social Services of Illinois had to reduce services and its staff by over 40%. Other members are significantly changing their delivery of services or eliminating units (and services) in their organization. Our members face unprecedented challenges in continuing to serve our neighbor.

In addition to understanding changing member needs, LSA has an urgent need to change its business model to continue to lead a sustainable network of Lutheran social ministry organizations that are connected with each other and the church. There has been a significant decline in national church body funding which had long been the #1 source of LSA funding. While church funding is critically important to LSA's budget, it has declined from almost half of LSA's budget in FY 2010 to 30% in FY 2012 to less than 15% in FY 2017. As a result, LSA has had to seek outside funding much of which is dedicated or restricted funding.

### **III. Implications for LSA Board of Directors Governance Structure**

The dramatic changes affecting LSA and Lutheran social ministry require a Board of Directors with additional skill sets and connections to ensure that LSA—and the network of Lutheran social ministry—are sustainable in the future. The LSA Board of Directors needs to be:

- **Strategic** to navigate the changing landscape of Lutheran social ministry and the health and human services worlds. We need to understand member needs and ways that a national network can fill and fund them.
- **Champions and Connectors** to not only connect LSA to members and the church, but to urgently-needed outside resources and expertise. Given LSA's need to increase funding



beyond what the church can support today, we need Board members who can open doors and help us achieve partnerships and obtain external resources.

- **Skilled in key areas.** Given increased complexity, there is a need for a greater range of skills on the Board to include fundraising, marketing, partnership development, financial fluency, and other critical skills. It is important for Board members to contribute their expertise as needed to support LSA. Given the small staff size and budget, LSA cannot maintain all of the needed skills on staff or through contracts.
- **Right-sized.** LSA currently has a 20-person board for a 14-person staff in a time when the share of unrestricted funding (to support a large board) has declined. Best governance practices for both the non-profit and for-profit sectors are for much smaller size boards.

To be clear, it is critically important for LSA to maintain—and build upon—our strong mission connections with the two national church bodies. Recrafting the LSA Board structure and composition will help ensure that LSA can respond to the rapidly changing needs of Lutheran social ministry, connect to urgently-needed resources and expertise, and accomplish its mission so that the Lutheran social ministry network can continue to provide ministry and works of mercy in the future.

#### **IV. Proposed LSA Board of Directors Structure**

The proposed changes maintain a strong mission partnership with the church bodies along with two critical governance functions that the ELCA and The LCMS perform today:

- The ELCA and LCMS (and 300 SMOs) are “member-owners” of LSA which provide certain governance functions such as approval of budgets and Bylaw changes. Note, this is different than LIRS and LWR where the two church bodies are not member-owners and do not have appointed Board seats.
- The ELCA and LCMS continue to determine the members of LSA through their affiliation and recognition process.

One proposed approach is a 10-13 person national Board of Directors that includes:

- Strong Lutheran identity and church participation. This includes:
  - Appointment of the ELCA and LCMS mission leaders (currently, Stephen Bouman and Bart Day). The two people holding these positions or others appointed by the two church bodies would be permanent members of the LSA Board. This is important since we want to ensure a strong mission connection to the ELCA and The LCMS.

- At least 50% of the LSA Board members will be active members of Lutheran congregations.
- Four to six social ministry organization CEOs, elected by the members (same process as today)
- Election by the Board of four to six additional board members that provide critical expertise

This provides for a strategic board with strong Lutheran identity, champions and connectors, a greater range of critically needed skills, and a continued strong mission connection with the ELCA and The LCMS which is critical if Lutheran social ministry is to be sustainable in the future.

As we anticipate the 500<sup>th</sup> Anniversary of the Reformation and the 20<sup>th</sup> Anniversary of LSA in 2017, we want to reaffirm our strong partnership with the ELCA and The LCMS and to prepare Lutheran social ministry to thrive so we can continue to answer the call to love and care for our neighbor for the next 20 years and beyond.

BYLAWS  
OF  
LUTHERAN SERVICES IN AMERICA, INCORPORATED  
(A Maryland Non-Stock Corporation)  
(Case for Change proposed amendments: Draft #3)

ARTICLE I  
NAME, REGISTERED AGENT

Section A. Name. The name of the Corporation shall be LUTHERAN SERVICES IN AMERICA, INCORPORATED.

Section B. Registered Agent. The name of the Registered Agent and the address of the Registered Office may be changed from time to time by the Board of Directors.

ARTICLE II  
MEMBERS

Section A. Classes of Members. The Corporation shall have Class A and Class B members. As Provided in Article IX of these Bylaws, the Corporation may establish criteria for “Associate Members,” whose relationship with LSA shall be governed exclusively by that Article. “Associate Members” as defined under Article IX shall not be considered members of the Corporation for purposes of the rights or powers conferred by these Bylaws or the law of Maryland.

Section B. Class A Members. Class A members shall be all social ministry organizations that are, from time to time, affiliated as Social Ministry Organizations by the appropriate unit of the Evangelical Lutheran Church in America (ELCA) or that are, from time to time, recognized as Recognized Service Organizations by the appropriate unit of The Lutheran Church-Missouri Synod (LCMS). In the event that an LCMS recognized parent organization has subsidiary organizations separately recognized by The Lutheran Church-Missouri Synod, the parent organization will serve as the sole LSA Class A voting member. If a Class A member ceases to be so affiliated or recognized, it thereupon ceases to be a Class A member of the Corporation.

Section C. Representation and Voting of Class A Members. Each Class A member shall be represented by one (1) individual who shall be its representative and shall vote on its behalf. The representative shall be the Class A member's chief staff executive or the chief staff executive's duly appointed representative. Each representative of a Class A member shall have one (1) vote on any matter presented to the members for a vote. In the event that an LCMS recognized parent organization has subsidiary organizations separately recognized by The Lutheran Church-Missouri Synod, the parent organization will serve as the sole LSA Class A voting member.

Section D. Class B Members. The Class B members shall be the Evangelical Lutheran Church in America and The Lutheran Church-Missouri Synod.



Section E. Representation and Voting of Class B Members. Each Class B member shall appoint one (1) individual who shall be its representative and shall vote on its behalf. Each representative of a Class B member shall have one (1) vote on any matter presented to the members for a vote.

### ARTICLE III MEETINGS OF THE MEMBERS

Section A. Annual Meeting. An Annual Meeting of the members shall be held in the first half of the calendar year at such time, place, and date as the Board of Directors may select. At the Annual Meeting, ~~the Class A members~~~~directors~~ shall ~~be~~ elect chief executive officer ~~directors~~ in accordance with Article V.B, the budget shall be approved, and all other business properly before the members shall be transacted. The annual budget, which shall include all revenue sources, must be approved by a majority of the Class A members present at the Annual Meeting and by the written concurrence of both Class B members.

Section B. Special Meeting. Special Meetings of the members may be called by the Chairperson at any time and shall be called by the Chairperson upon delivery to the Chairperson of either (1) a written request to the Chairperson by a majority of the Board of Directors or (2) a written ballot of ten percent of the Class A members and the written concurrence of the Class B members of the Corporation.

Section C. Notice of Meetings. Notice of the date, time, place, and agenda of each Annual or Special Meeting shall be sent to each Class A and Class B member not less than thirty (30) days before such meeting. The notice shall be addressed to each Class A and Class B member at the member's address as it appears in the records of the Corporation.

Section D. Quorum. At all meetings of the members, the presence of representatives of ten percent (10 %) of the Class A and Class B members shall be necessary and sufficient to constitute a quorum for the transaction of business. If at any meeting less than a quorum is present, a majority of the representatives present may adjourn the meeting from time to time and reconvene it without further notice to the Class A and Class B members.

Section E. Voting. Except as expressly otherwise provided in these Bylaws of the Corporation, any motion or resolution before the members for a vote shall be adopted by a majority vote of the representatives present at a duly called and convened meeting of the members. Action of the members on any motion or resolution may be taken by written ballot.

Section F. Written Concurrence of Class B Members. The written concurrence of the Class B members, as required in these Bylaws, shall be given in a manner to be determined by the Class B members. The Evangelical Lutheran Church in America, on recommendations of the appropriate unit of the Evangelical Lutheran Church in America, shall make such determination on behalf of the Evangelical Lutheran Church in America, and the ~~The Lutheran~~ Church-Missouri Synod, on recommendations of the appropriate unit of The Lutheran Church—Missouri Synod, shall make such determination on behalf of The Lutheran Church-Missouri Synod.

ARTICLE IV  
WITHDRAWAL OF CLASS B MEMBERS

Section A. Withdrawal of One Class B Member.

1. A Class B member may withdraw as a member of the Corporation at any time, for any reason, upon sixty (60) days written notice thereof given to the Corporation at its Registered Office and to the remaining Class B member.

2. Upon the withdrawal of a Class B member, all rights and authorities of said member shall cease and all references by name or otherwise in the Articles of Incorporation and Bylaws of the Corporation to the withdrawn Class B member shall be deemed deleted and of no further effect, and all rights, authorities, and actions required or permitted to be exercised by such Class B member shall be exercised solely by the remaining Class B member. Accordingly, any provision in the Articles of Incorporation and Bylaws of the Corporation that requires the withdrawn Class B member's consent or written concurrence shall thereafter be deemed to require only the remaining Class B member's consent or written concurrence.

3. If a Class B member withdraws, ~~the all~~ Class B directors appointed by such Class B member shall be deemed removed, effective as of the date of withdrawal of the Class B member. ~~The remaining Class B member shall fill the Class B directors' vacancies created by the Class B member's withdrawal. The remaining Class B member shall thereafter appoint the nine (9) Class B directors.~~

Section B. Withdrawal of Both Class B Members.

1. Both Class B members may withdraw as members of the Corporation, either concurrently or consecutively, at any time, for any reason, upon sixty (60) days' written notice thereof given to the Registered Agent of the Corporation at its Registered Office.

2. Upon the withdrawal by both Class B members or by the sole remaining Class B member, all references by name or otherwise in the Articles of Incorporation and Bylaws of the Corporation to the withdrawn Class B member(s) shall thereafter be deemed deleted and of no further effect, and all rights, authorities, and actions required or permitted to be exercised by the Class B member(s) shall cease and be of no further effect. Thereafter, all rights, authorities, and actions required or permitted to be exercised by the members of the Corporation shall be exercised solely by the Class A members, which shall be the sole class of members of the Corporation. Accordingly, any provision in the Articles of Incorporation and Bylaws of the Corporation that requires the Class B members' consent or written concurrence shall thereafter be deemed to require only the Class A members consent or concurrence.

3. If both Class B members withdraw from membership in the Corporation, either concurrently or consecutively, then ~~both all~~ Class B directors appointed by the Class B members shall be deemed removed, effective as of the date of withdrawal of the Class B member(s). Thereafter, all references in the Bylaws of the Corporation to ~~Class B~~ directors appointed by Class B members shall be deemed deleted, and the Board of Directors shall be composed solely of Class A chief executive officer and Class C board-elected directors, and all actions of the Board of Directors shall thereafter be taken by vote of the Class A chief executive officer and

~~Class C~~board-elected directors.

ARTICLE V  
BOARD OF DIRECTORS

Section A. Number of Directors and Lutheran Affiliation. The Board of Directors shall be composed of ~~no less than ten (10) nor more than thirteen (13)~~no less than four (4) nor more than six (6) directors shall be chief executive officers elected by Class A members. Two (2) directors shall be appointed by the Class B members, one from the Evangelical Lutheran Church in America and one from the Lutheran Church – Missouri Synod. No less than four (4) nor more than six (6) directors- shall be elected by the Board. At least 50% of the members of the Board of Directors shall be active members of Lutheran congregations.~~nine (9) directors elected by the Class A members of the Corporation and nine (9) directors appointed by the Class B members of the Corporation and two (2) Class C directors elected by the Class A and Class B members of the Board of Directors.~~  
If, by reason of the withdrawal of any chief executive officer or board-elected director, the number of Lutheran members falls below 50% of the members of the Board of Directors, the board shall elect an active member of a Lutheran congregation to fill the vacancy.

Section B. Chief Executive Officer Directors Elected by Class A Members~~Class A Directors.~~

1. Each ~~chief executive officer Class A~~director elected by Class A members shall be elected to a term of office of three (3) years. No ~~such Class A~~director may serve more than two (2) consecutive full terms or seven (7) consecutive years. ~~In order to achieve staggered terms of office for the chief executive officer Class A directors, three (3) of the directors shall initially be elected for a one (1) year term, three (3) of the directors shall initially be elected for a two (2) year term, and three (3) of the directors shall initially be elected to a three (3) year term.~~

2. ~~The~~Class A members present at the Annual Meeting shall, by a majority vote, elect chief executive officer directors from member organizations~~persons~~ to fill any vacancies ~~in the Class A directorships~~ resulting from expiring terms of office.

3. Any vacancy resulting from the resignation, death, or removal of a chief executive officer director elected by Class A members ~~director vacancies arising for any reason other than expiring terms of office may~~shall be filled by a majority vote of the Board of Class A D~~irectors~~ then in office. The term of office of any such Class A~~director~~ elected to fill an unexpired term ~~of a Class A director whose office has been vacated by resignation, death, or removal~~ shall be the remaining term of his or her predecessor.

4. The Board of Directors may, with or without cause, at any time, remove a chief executive officer director ~~Class A director~~ by the vote of at least three-fourths of all ~~incumbent~~ directors.

Section C. Directors Appointed by Class B Members~~Directors.~~

1. The Evangelical Lutheran Church in America ~~America shall appoint six (6) of the nine (9) Class B directors,~~ and The Lutheran Church-Missouri Synod shall each appoint one director ~~three (3) of the nine (9) Class B directors.~~ The ~~Class B~~ directors appointed by Class B

members shall be ~~(a) the Executive Director of the appropriate unit of the Evangelical Lutheran Church in America, or such person named by the Presiding Bishop of the ELCA for this position and , *servi*ng *ex officio* with vote, (b) five (5) directors appointed by the Evangelical Lutheran Church in America, including a representative of a synod of the Evangelical Lutheran Church in America, (c) the Executive Director of the appropriate unit of The Lutheran Church—Missouri Synod, or such person named by the President of the LCMS for this position, *servi*ng *ex officio* with vote, and (d) two (2) directors appointed by The Lutheran Church—Missouri Synod, including a representative of a district of The Lutheran Church—Missouri Synod.~~

~~2. — Each Class B director (other than the Executive Director of the appropriate unit of the Evangelical Lutheran Church in America or such person named by the ELCA for this position, and the Executive Director of the appropriate unit of The Lutheran Church—Missouri Synod or such named person named by the LCMS for this position) shall be appointed to a term of office of three (3) years. No Class B director (other than the Executive Director of the appropriate unit of the Evangelical Lutheran Church in America or such person named by the ELCA for this position, and the Executive Director of the appropriate unit of The Lutheran Church—Missouri Synod or such person named by the LCMS for this position) may serve more than two (2) consecutive full terms or seven (7) consecutive years. The Executive Director of the appropriate unit of the Evangelical Lutheran Church in America shall serve as a Class B director so long as he or she serves as such Executive Director, and the Executive Director of the appropriate unit of The Lutheran Church—Missouri Synod shall serve as a Class B director so long as he or she serves as such Executive Director or such named person by the LCMS for this position remains appointed by the LCMS.~~

~~3. — Each Class B member shall determine the manner of appointment of the Class B directors to be appointed by such member.~~

~~4. — Class B director vacancies arising for any reason shall be filled by appointment of the Class B member that appointed the director whose position has become vacant, and the term of office of any Class B director appointed to fill an unexpired term of a Class B director whose office has been vacated for any reason shall be the remaining term of his or her predecessor.~~

~~5. — A Class B member may remove any or all of the Class B directors that it has appointed, with or without cause, at any time.~~

#### Section D. Board-elected-Class C Directors.

1. Each ~~Class C~~ director elected by the Board of Directors shall be elected to a term of office of three (3) years. No board-elected ~~Class C~~ director may serve more than two (2) consecutive full terms or seven (7) consecutive years.

2. In the event of a vacancy in a board-elected director position resulting from the expiration of a term, the remaining directors ~~The Class A directors and the Class B directors~~ present at the Board of Directors meeting concurrent with the Annual Meeting may ~~shall~~, by a majority vote, elect a persons to fill any such ~~vacancies in the Class C directorships resulting from expiring terms of office.~~

3. In the event of a Class C director ~~vacancies in a board-elected director position~~

arising for any reason other than ~~the expiration of a-expiring~~ terms of office, the remaining directors by a majority vote may~~shall~~ elect a replacement ~~shall be filled by a majority vote of Class A directors and Class B directors then in office. The term of office of any Class C director elected to fill thean unexpired term, of a Class C director whose office has been vacated by resignation, death, or removal shall be the remaining term of his or her predecessor.~~

4. In the event the Board of Directors determines a need to increase the number of board-elected directors, not due to expiration of a term, death, resignation, or removal of a director, the Bboard may elect by a majority vote an additional director or directors, so long as the number of board-elected directors does not exceed the number provided in Article V.A. Any board-elected director elected pursuant to this provision shall begin her or his term immediately. Such a board-elected director and may not serve more than two (2) consecutive three year terms or seven (7) consecutive years.

54. The Board of Directors may, with or without cause, at any time, remove a ~~board-elected~~Class C director by the vote of at least three-fourths of all incumbent directors.

Section E. Resignation. Any ~~Class A or Class C~~ director, other than the directors appointed by the Cclass B members, may resign at any time by giving written notice of such resignation to the Chairperson of the Corporation. ~~Any Class B director may resign at any time by giving written notice of such resignation to the Chairperson of the Corporation and the member that appointed the director.~~ The written notice shall state the effective date of such resignation, and the office of such director shall be vacant as of the stated effective date.

## ARTICLE VI MEETINGS OF THE BOARD OF DIRECTORS

Section A. Regular and Special Meetings. Regular Meetings of the Board of Directors may be held at such times and places as may be determined by the Board of Directors. Special Meetings of the Board of Directors may be called at any time by the Chairperson of the Corporation or by a majority vote of the Board of Directors.

Section B. Notice of Meetings. Notice of the date, time, place, and purpose of each Regular or Special Meeting shall be given by the Secretary of the Corporation to each ~~Class A and Class B and Class C~~ director by serving a copy personally, ~~or~~ by mail, or by authorized electronic transmission not less than ten (10) days before such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail and addressed to each ~~such Class A and Class B and Class C~~ director at the director's address as it appears in the records of the Corporation. Such notice may be waived by any director in writing, whether or not in attendance, and shall be deemed waived by such director's attendance at such meeting.

Section C. Quorum. At all meetings of the Board of Directors, the presence of a majority of the ~~Class A~~ directors then in office, ~~a Class B director appointed by the Evangelical Lutheran Church in America, a Class B director appointed by The Lutheran Church Missouri Synod, and a Class B director appointed by either Class B member~~ shall be necessary and sufficient to constitute a quorum for the transaction of business. If at any meeting less than a quorum is present, a majority of those directors present may adjourn the meeting from time to time and reconvene it upon notice to all directors. ~~without further notice to any absent directors.~~

Section D. Voting. Except as otherwise required in these Bylaws or in the Articles of Incorporation of the Corporation, all actions of the Board of Directors shall be taken by a majority of the directors present at a duly called and convened meeting of the directors.

Section E. Electronic Communication. Any one or more directors may participate in a meeting of the Board of Directors by any means of communication which enables the director, all other directors participating, and all directors physically present at the meeting to simultaneously hear each other during the meeting.

Section F. Action Without Meeting. Any action required or permitted to be taken at a meeting of the directors may be taken without a meeting if ~~a written~~ consent is given in writing or by electronic transmission signed by each duly elected, qualified, and acting directors, ~~and is executed and filed with the Secretary of the Corporation in paper or electronic form, and included within the minutes of proceedings of the board, returned to the Secretary of the Corporation.~~

## ARTICLE VII GOVERNANCE

Section A. Annual Budget and Audit. The Board of Directors shall recommend an annual budget for adoption by the members. Recommendation of the proposed annual budget shall require an affirmative vote of four-fifths (4/5) of the directors then in office. The Board of Directors shall require an annual independent audit of the financial books and records of the Corporation. Copies of the audit shall be available to the members of the Corporation upon request.

Section B. Dues. The Class A members shall be required to pay dues in order to be Class A members of the Corporation. The Board of Directors shall recommend as part of the annual budget the amount and the manner of assessment of the Class A members' dues, which shall be a sliding scale based on the operating expenses of the Class A members. The Class B members shall grant such financial support to the Corporation as they shall deem appropriate.

Section C. Lutheran Legacy and Doctrinal Position. The Board of Directors shall maintain the Corporation's historic Lutheran identity and legacy of caring through service and shall insure that the Corporation is operated in a manner consistent with the doctrine and practices of the Class B members. The Board of Directors shall establish policies pursuant to which some members may from time to time exempt or exclude themselves from participation in the Corporation's positions, programs, or services.

Section D. Committees. A resolution approved by the affirmative vote of a majority of the Board of Directors may establish one or more committees having the authority of the Board of Directors in the management of the business of the Corporation to the extent provided in the resolution and permitted by law. Committees are subject at all times to the direction and control of the Board of Directors.



## ARTICLE VIII OFFICERS

Section A. Number and Designation. The officers of the Corporation, to be elected by the Board of Directors, shall be a Chairperson, a Vice Chairperson, a Secretary, and a Treasurer, all of whom shall be members of the Board of Directors, together with a President, who shall not be a member of the Board of Directors, and such other officers as the Board of Directors may designate, who may or may not be members of the Board of Directors. No director may serve more than two consecutive one-year terms in the office to which elected. At least one officer shall be a chief executive officer elected by Class A members and at least one officer shall be a board-elected director.

Section B. Election of President. The Board of Directors shall elect a President, who shall be the chief executive officer of the Corporation and who shall hold office until a successor shall have been duly elected by the Board of Directors and such successor shall have begun to serve. The President shall not be a member of the Board of Directors. An affirmative vote by four-fifths (4/5) of the directors then in office shall be required for the election of the President. The salary and terms of employment of the President shall be fixed by the Board of Directors.

Section C. Removal of President. The President may be removed from office by an affirmative vote of four-fifths (4/5) the directors then in office, with or without cause.

Section D. Vacancy of President's Office. A vacancy in the President's office by death, resignation, removal, or any other cause, may be filled for the unexpired term of the President's office by an affirmative vote of four-fifths (4/5) of the directors then in office.

Section E. Election of Officers. Each officer (other than the President) shall be annually elected by the Board of Directors by affirmative vote of four-fifths (4/5) of the directors present at the last meeting of the Board of Directors prior to the Annual Meeting and shall hold office for a period of one year beginning July 1 or until a successor shall have been duly elected and the term of such successor shall begin. The newly elected officers shall be reported to the Annual Meeting.

Section F. Chairperson. ~~The Chairperson shall be a Class A director.~~ The Chairperson shall preside at all meetings of the Board of Directors and at the Annual Meeting of the Membership. The Chairperson shall insure the integrity of the Board of Director's process in fulfilling the mandates of the Corporation and shall verify that the executive actions are in compliance with policy. The Chairperson, or the Vice Chairperson or such other member of the Board of Directors presiding over a meeting of the Board of Directors in the Chairperson's absence, shall vote on all matters brought before the Board of Directors.

Section G. Vice Chairperson. The Vice Chairperson shall, in the absence of the Chairperson, preside at meetings of the Board of Directors. ~~The Vice Chairperson shall be a Class A director.~~

Section H. Secretary. The Secretary shall have custody of the books and records of

the Corporation, shall maintain a record of actions by the Board of Directors, and shall be responsible for the giving and serving of all notices of meetings of the Board of Directors. ~~The Secretary shall be a Class B director.~~

Section I. Treasurer. The Treasurer shall monitor the conduct of fiscal operations and fiduciary responsibilities of the Corporation. He or she shall verify that the funds and securities of the Corporation are deposited in such financial institutions, accounts, or depositories as are approved by the Board of Directors. The Treasurer shall submit a written report to the Membership at the Annual Meeting and may also report at any meeting of the Board of Directors any developments affecting the financial condition of the Corporation. ~~The Treasurer shall be a Class B director.~~

Section J. Removal. Any officer (other than the President) may be removed from office, with or without cause, by an affirmative vote of four-fifths (4/5) of the directors present at a duly called and convened meeting of the Board of Directors.

Section K. Vacancies. Any vacancy in the office of any officer (other than the President), whether by death, resignation, or removal, or any other cause, may be filled for the unexpired term of the office by the affirmative vote of four-fifths (4/5) of the directors present at a duly called and convened meeting of the Board of Directors.

## ARTICLE IX ASSOCIATE MEMBERS

Section A. Creation of class. The Board of Directors may establish criteria and procedures through which certain organizations that are not eligible for membership as defined in Article II of these Bylaws may participate in LSA events and activities, and receive other benefits available to members.

Section B. Eligibility for Associate Membership. The Board of Directors is responsible for establishing the specific criteria and procedures for Associate Membership, but should the Board create such a category, the Board shall ensure that any candidate for Associate Membership: (1) is an organization; (2) that has a substantial and continuing connection with the Lutheran tradition; and (3) is engaged in the provision of services on a not-for-profit basis.

Section C. Rights and benefits of Associate Membership. The Board shall determine the specific benefits of Associate Membership. But the Board may not grant Associate Members any of the governance rights of LSA members, as set forth in Article II. Associate Members are not “members” of the Corporation for legal purposes.

## ARTICLE X FISCAL YEAR

The fiscal year of the Corporation shall be established by the Board of Directors.

## ARTICLE XI BANKS AND LEGAL DOCUMENTS



The Corporation shall maintain accounts with such banking institutions as the Board of Directors may from time to time determine. All checks, drafts, bills of exchange, notes or other obligations or orders for the payment of money and all other legal or contractual documents shall be signed in the name of the Corporation by such person or persons as the Board of Directors may from time to time designate by appropriate resolution.

## ARTICLE XII BONDING

Each officer of the Corporation and those members of the staff, as the Board of Directors requires, shall be bonded by a surety company for the safeguard of funds, securities, and records. The amount of the bond shall be fixed by the Board of Directors. Cost of the bond shall be borne by the Corporation.

## ARTICLE XIII FINANCIAL RESPONSIBILITY

The Corporation shall be solely responsible for the management and fiscal affairs of the Corporation and for the payment of any debts and liabilities incurred by the Corporation. The members of the Corporation shall not be liable for the debts and obligations of the Corporation.

## ARTICLE XIV INDEMNIFICATION

### Section A. Persons Indemnified.

1. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to or witness in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he/she/it is or was a member, employee, agent, trustee or any officer of the Corporation against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit, or proceeding to the fullest extent permitted under Maryland law, as from time to time in effect. Such right of indemnification shall not be deemed exclusive of any other rights apart from the foregoing provisions of this paragraph. The provisions of this Article XIV shall be deemed to be a contract between the Corporation and each member, trustee, and officer who serves in such capacity.

2. The Corporation may indemnify any person who was or is a party or is threatened to be made a party to or witness in any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative by reason of the fact that he/she/it is or was an employee or agent of the Corporation, and is or was serving at the request of the Corporation, as a member, trustee, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit, or proceeding to the extent and in the manner set forth in and permitted by Maryland law, as from time to time in effect. Such right of indemnification shall not be deemed exclusive of any other rights to which any such person may be entitled apart from the foregoing provisions of this Article XIV.

Section B. Insurance. The Corporation shall acquire and maintain adequate policies of insurance to insure the indemnifications required by this Article XIV.

ARTICLE XV  
CONFLICT OF INTEREST

Any possible conflict of interest on the part of a director shall be disclosed to the Board of Directors on an annual or more frequent basis. When any such conflict of interest becomes a matter for action by the Board of Director, such director(s) with a conflict of interest shall not vote on the matter. The director(s) with a conflict of interest may, however, briefly state a position on the matter and answer pertinent questions asked by other directors. The minutes of all actions taken on such matters shall clearly reflect that the requirements of this Article have been met.

ARTICLE XVI  
SEAL

The Board of Directors may, as it shall deem appropriate, provide a corporate seal.

ARTICLE XVII  
DISSOLUTION

The Corporation may be dissolved in the manner provided in the Articles of Incorporation of the Corporation and the [Corporations and Associations](#) article of the Annotated Code of Maryland by an affirmative vote of the majority of the Class A members and with the written concurrence of the Class B members at an Annual or Special meeting, provided that notice of the proposed dissolution is contained in the notice of such meeting.

ARTICLE XVIII  
AMENDMENTS

The Articles of Incorporation and these Bylaws of the Corporation may be amended by an affirmative vote of the majority of the Class A members and with the written concurrence of the Class B members at any Annual or Special Meeting of the members, provided that notice of the content of the proposed amendment is included in the notice of such meeting.

# ELCA Church Council

## Report from Mission Advancement

Christina Jackson-Skelton  
November 12, 2016



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God's work. Our hands.



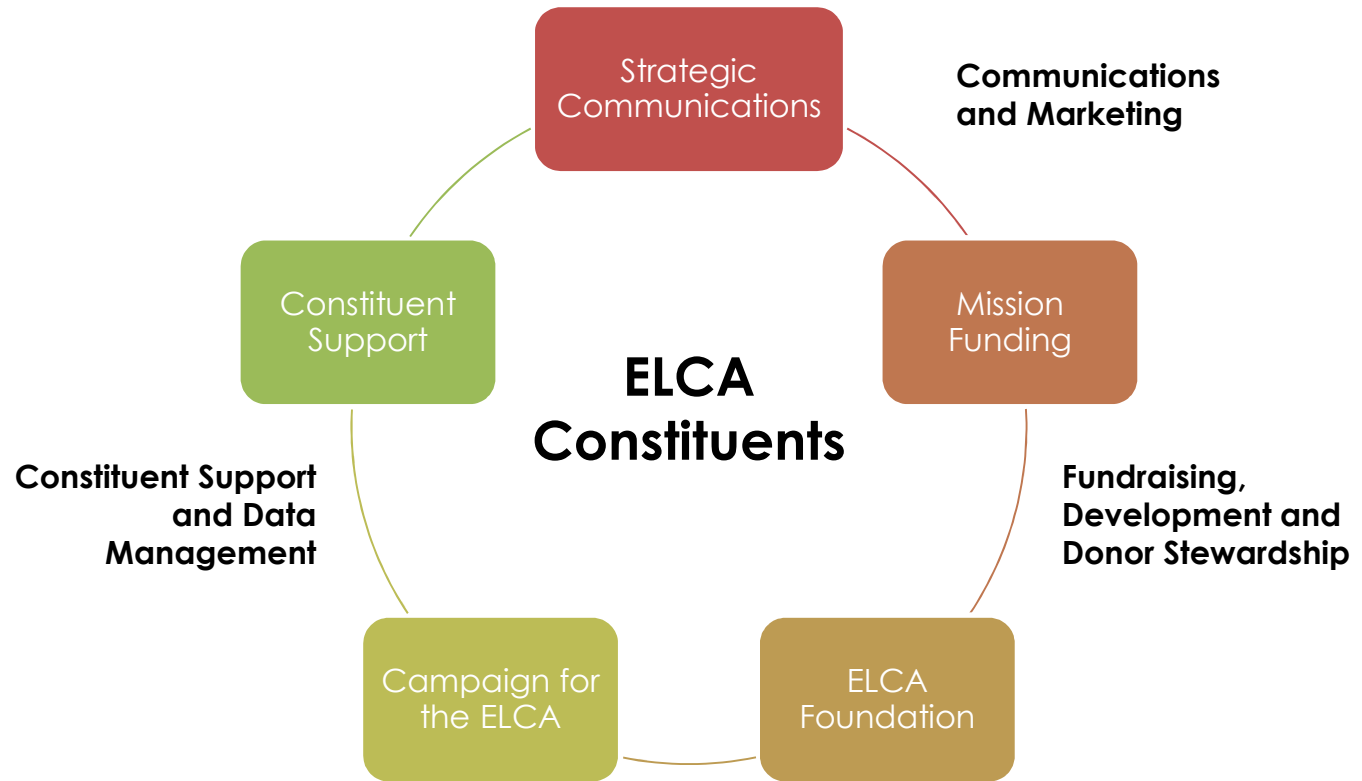
## Mission Advancement is structured for and committed to:

- Achieving focused, strategic, consistent communications with members
- Lifting up this church's distinctive identity
- Inspiring and stewarding members' generosity
- Reaching more members and engaging them to take part in God's work
- Supporting this church's mission priorities



# Mission Advancement

## 3 Core Functions & 5 Work Groups



Highlights from...

**MISSION ADVANCEMENT**

**STRATEGIC COMMUNICATIONS**



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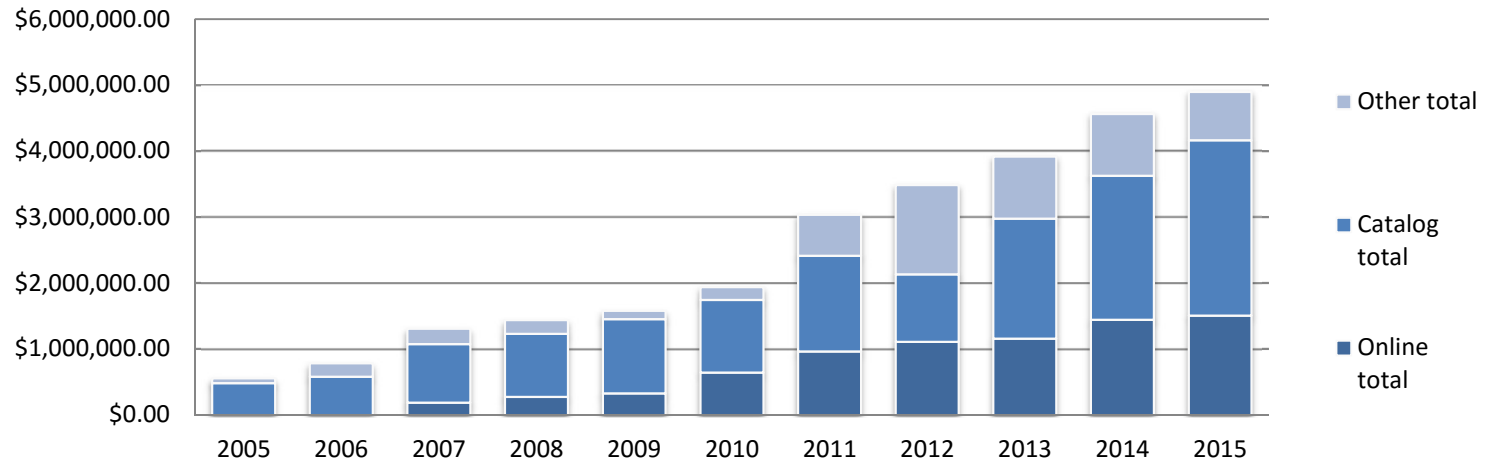


# **ELCA Good Gifts 2016**



# ELCA Good Gifts

2005-2015



**FY 2005 revenue: \$554,007**

**FY 2015 revenue: \$4.89M**



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## First-time donors to the ELCA

- There were 8,500 first-time donors to ELCA churchwide ministries in 2015.
- 4,000 of them, **or 42%**, gave through ELCA Good Gifts.



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# Program Revenue

- The Good Gifts catalog allows donors to provide support to seven different churchwide ministries.
- The top three in 2015:
  - ELCA World Hunger (\$4M)
  - Lutheran Disaster Response (\$290K)
  - ELCA Global Church Sponsorship (\$280K)



## Top gifts by quantity

5. School fees (\$40)
4. Honey bees (\$20)
3. Pig (\$30)
2. Goat (\$50)
1. Chicks (\$10)



# Top gifts by revenue

5. Where needed most
4. Pig
3. Family farm
2. Goat
1. **Water well**

\$490K in 2015



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# “God’s Work. Our Hands.” Sunday 2016







# “God’s Work. Our Hands.” Sunday

- Approximately **3,000** congregations participating

Of participating congregations:

- **95%** completed a day of service in addition to worship on Sunday morning
- **67%** invited non-members to join them
- **57%** utilized the toolkit on [ELCA.org](http://ELCA.org)
- **20%** received local media coverage





**(video shown now)**

Will be on a thumb drive

<https://www.youtube.com/watch?v=6WyNV3aEmDE>



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# Videos created in 2016



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# Top 5 ELCA videos on YouTube

(not including Davey & Goliath – performs well)

Bishop Eaton's Call to be Present – **8,100 views**

2018 Youth Gathering Preview – **5,200 views**

Where does your offering go? – **3,700 views**

CWA Bishop Eaton Report – **3,500 views**

2016 Synod Assembly video – **2,750 views**



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**SUBSCRIBE NOW:**  
**Youtube.com/ELCA**

# Top 5 videos on Facebook

**119K views:** 2016 Synod Assembly video

**103K views:** Bishop Eaton's Call to Be Present  
(Response to Dallas/Baton Rouge/St Paul shooting)

**45K views:** Suicide Prevention message

**44K views:** A Lutheran 9/11 Remembrance

**40K views:** Bishop Eaton's Easter message

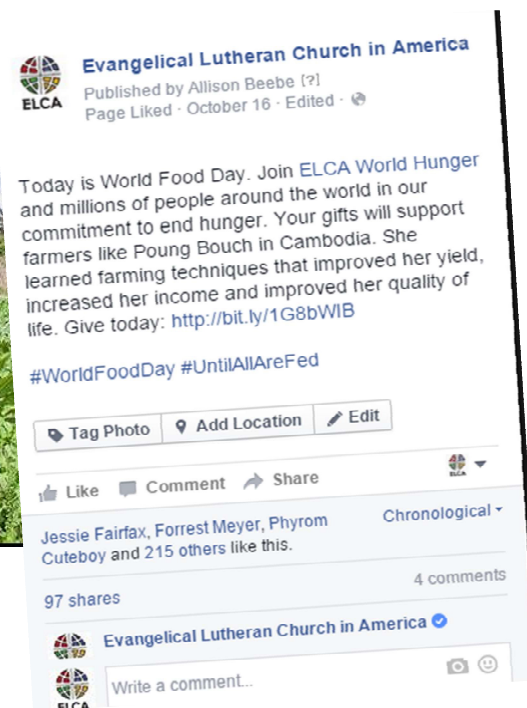
*Views listed above are unique views.*



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# Facebook.com/Lutherans

- Year-to-date growth represents a **39%** increase over the prior year
- On July 12, 2016, the ELCA hit the milestone of **100,000 “Likes”** on its Facebook page



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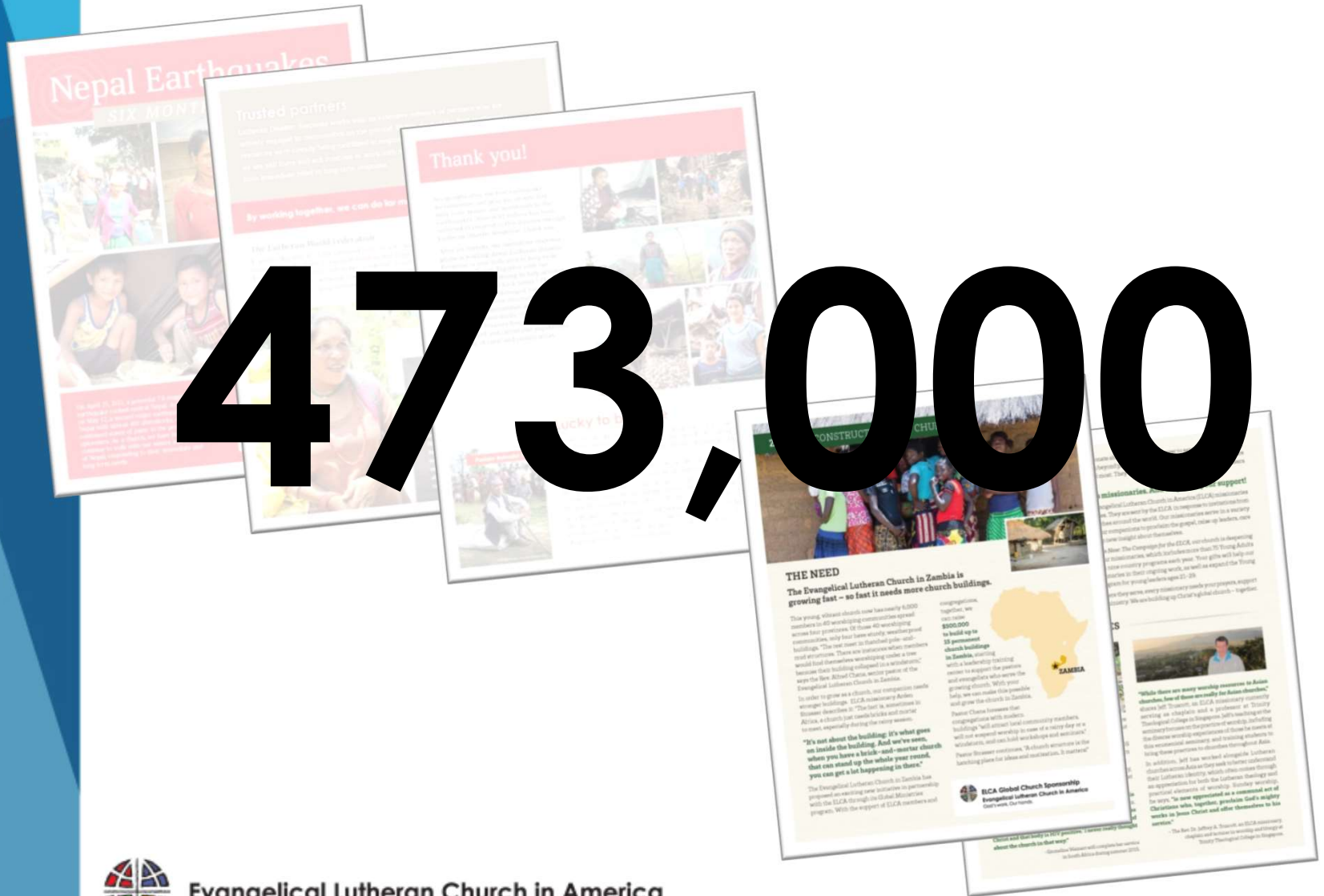
# E-mails sent for marketing YTD



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# Resources downloaded on ELCJA.org

# 473,000



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# Direct Mail pieces created

# 47



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**THANK YOU**



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**MISSION INVESTMENT FUND OF THE  
EVANGELICAL LUTHERAN CHURCH IN AMERICA**

**RESOLUTION OF BOARD OF TRUSTEES  
ADOPTED AT MEETING ON OCTOBER 20, 2016**

**-PROPOSED AMENDMENTS TO BYLAWS -**

**REQUEST FOR REVIEW AND APPROVAL BY THE  
CHURCH COUNCIL OF THE  
EVANGELICAL LUTHERAN CHURCH IN AMERICA**

Background:

At its meeting on October 20, 2016, the Board of Trustees of the Mission Investment Fund reviewed proposed amendments to the MIF Bylaws, to accomplish the following: (1) to revise Article 6, Officers, by changing the title of the "Treasurer" to "Chief Financial Officer" to more accurately reflect the responsibilities of that position; (2) to delete the references in Article 6 to the position of "Assistant Treasurer", as unnecessary; (3) to change the title of Article 6 from "Officers" to "Officers of the Corporation"; (4) to remove the Board positions of "Chairperson" and Vice Chairperson" from Article 6 and to place those positions in Article 4, Board of Trustees, in order to properly identify those position as officers of the Board.

The attorney for MIF, Frank Patton, reviewed with the Board the following: MIF is incorporated under the Minnesota Nonprofit Corporation Act and is subject to that Minnesota Act. Section 317A.301 of the Minnesota Act requires that MIF have an officer fulfilling the functions of the office of treasurer, but permits that position to be designated by a different title. MIF's attorney advised that under that section of the Minnesota Act it would be permissible for the Bylaws to be amended to change the title of Treasurer to Chief Financial Officer. The MIF attorney also advised that the other above proposed amendments are permissible under the Minnesota Act.

After discussion, the Board of Trustees unanimously adopted the following resolution:

RESOLVED that the following proposed amendments to the Bylaws of this Corporation (the "Amendments") shall be submitted to the Church Council of the Evangelical Lutheran Church in America, with the request for approval by said Church Council, and that, upon such approval, the Amendments shall be deemed adopted and effective:

**AMENDMENT TO ARTICLE 4 - BOARD OF TRUSTEES**

**Existing provision:**

"The Board of Trustees of this Corporation shall be between nine and twelve in number, who shall be elected by the Churchwide Assembly of the ELCA for three year terms with the possibility of up to two additional three year terms."



**Proposed amendment to Article 4 (*changes in italics*):**

"The Board of Trustees of this Corporation shall be between nine and twelve in number, who shall be elected by the Churchwide Assembly of the ELCA for three year terms with the possibility of up to two additional three year terms. *The officers of the Board of Trustees shall be a Chairperson and a Vice Chairperson, elected by the Board of Trustees, to serve for one year terms or until their successors are chosen and qualified.*

**AMENDMENT TO TITLE OF ARTICLE 6**

**Existing title of Article 6: "Officers"**

**Proposed amendment,** to change title of Article 6 to: "Officers of the Corporation"

**AMENDMENT TO ARTICLE 6, SECTION 6.1(a) :**

**Existing provision:**

"Section 6.1 (a) Officers. The officers of this corporation shall be a Chairperson, a Vice Chairperson, a President, one or more Vice Presidents, a Secretary, a Treasurer, and such other officers as the Board of Trustees may from time to time designate.

**Proposed amendment to Section 6.1(a) (*changes in italics*):**

"Section 6.1 (a) Officers. The officers of this corporation shall be [~~DELETED: a Chairperson, a Vice Chairperson~~] a President, one or more Vice Presidents, a Secretary, a *Chief Financial Officer*, and such other officers as the Board of Trustees may from time to time designate.

**AMENDMENT TO ARTICLE 6, SECTION 6.8 TREASURER:**

**Existing provision: Section 6.8 Treasurer.**

"Section 6.8 Treasurer. The Treasurer shall have and may exercise such duties as may be assigned from time to time by the Board of Trustees. The Treasurer shall present to the Board of Trustees at its annual meeting a report as Treasurer of this corporation, and shall from time to time make such other reports to the Board of Trustees as it may require.

**Proposed amendment to Section 6.8 (*changes in italics*):**

"Section 6.8 *Chief Financial Officer*. The *Chief Financial Officer* shall have and may exercise such duties as may be assigned from time to time by the Board of Trustees. The *Chief Financial Officer* shall present to the Board of Trustees at its annual meeting a report as *Chief Financial Officer* of this corporation, and shall from time to time make such other reports to the Board of Trustees as it may require."

**Existing provision: Section 6.9 Assistant Treasurer**

"Section 6.9. Assistant Treasurer. The Board of Trustees in its discretion may elect an Assistant Treasurer who shall perform the duties and responsibilities of the Treasurer as above set forth under the general direction of the Treasurer or President."

**Proposed amendment: delete Section 6.9.**

**Proposed amendment: Renumber Section 6.10 as Section 6.9.**

**Resolution on Standing Rock  
Church Council of the Evangelical Lutheran Church in America**

Whereas this church confesses the power of prayer in the Large Catechism III.30 “that all our safety and protection consists in prayer alone;”

Whereas this church confesses in the Large Catechism II.14 that God “makes all creation help provide the benefits and necessities of life — sun, moon, and stars in the heavens; day and night; air, fire, water, the earth and all that it yields and brings forth; birds, fish, animals, grain, and all sorts of produce.”

Whereas this church has repudiated the doctrine of discovery in Assembly, recognizing the injustices that have been perpetrated in the name of the Church and the right of native peoples to have sovereignty over their sacred ancestral lands;

Whereas this church in Assembly has “request[ed] the Church Council...to provide resources to congregations and individual members to encourage and support conservation and prayerful stewardship of water resources”;

Whereas this Church Council has heard from its siblings in the American Indian/Alaska Native Association, asking for support on this issue, specifically addressing prayer, recognition of Native sovereignty, and care for creation;

Whereas our sisters and brothers on the Executive Council of The Episcopal Church issued a statement on October 22<sup>nd</sup>, 2016 in support of the Standing Rock Tribe and calling for respect of its ancestral lands; and,

Whereas students from each seminary of this church have publicly called on our church’s leaders to stand with those who have gathered for prayer at Standing Rock in opposing the Dakota Access Pipeline; now, therefore, be it

**Resolved, that the Church Council calls on this church to pray for a peaceful resolution at Standing Rock and to attend to its complexities with Christian love and, be it further**

**Resolved, that the Church Council, trusting in the power of prayer, calls on the governments of the United States and the state of North Dakota to immediately deescalate military and police provocation along sites of peaceful protest at Standing Rock, and, be it further**

**Resolved, that the Church Council encourages all the baptized to hear the cries of our native brothers and sisters, therefore advocating for an end to pipeline construction on the sacred lands of the Sioux, and, be it further**

**Resolved, that our Presiding Bishop, in her capacity as shepherd of this church, continue to exercise the ministry of reconciliation (2 Cor. 5:18) among those at Standing Rock and in the state of North Dakota with our support, allocating financial and human resources as necessary to this ministry.**

# Planning & Evaluation Committee

Christine Connell, chair



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# Called Forward Together in Christ

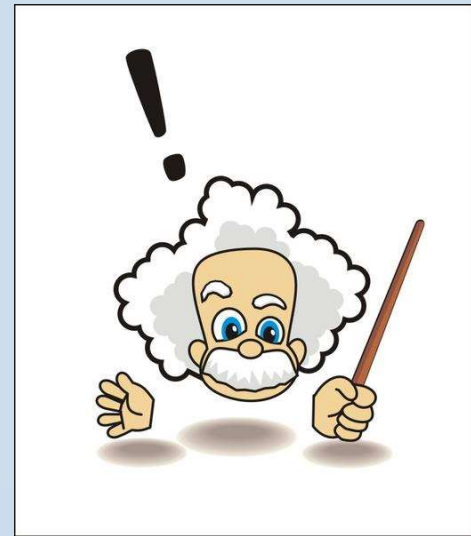
How do you think the Future Directions Statement will/should interface with the strategic planning of the churchwide organization?

- Is it a real change, or a tweaking of what exists?
- Is the statement deeply connected to the strategic planning of the CWO, if not, why bother?

- 
- Committee looked at the role of the CWO in each of the five goals.

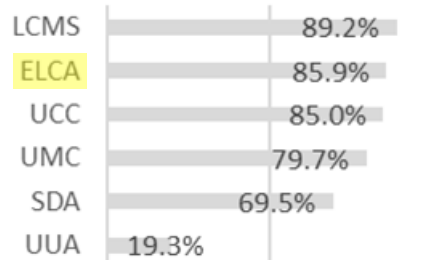


Faith Communities  
Today:  
A Five-Year Study  
Dr. Kenneth Inskeep

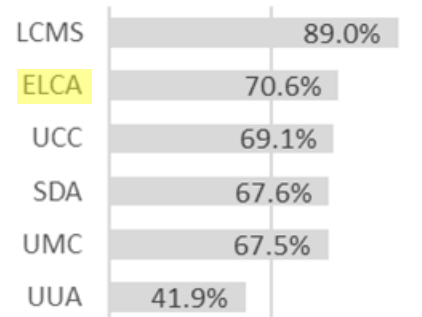


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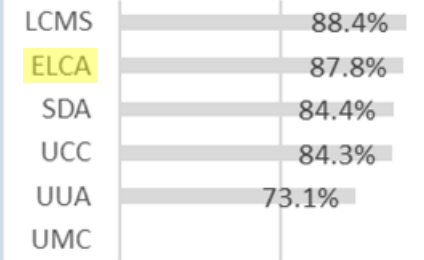
### Filled with a Sense of God's Presence



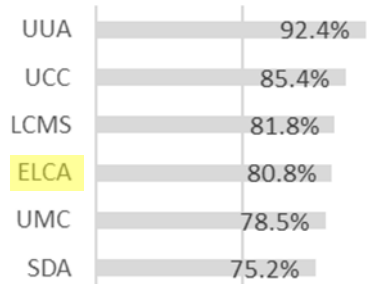
### Reverence



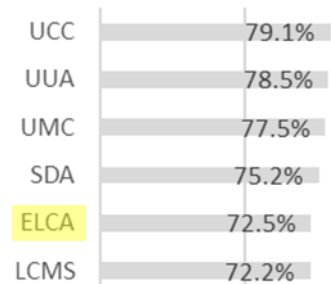
### Nurturing of People's Faith



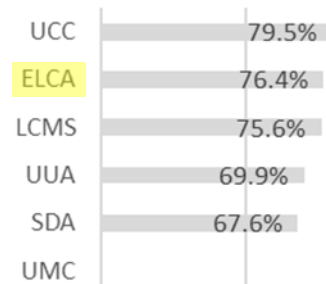
### Thought-provoking



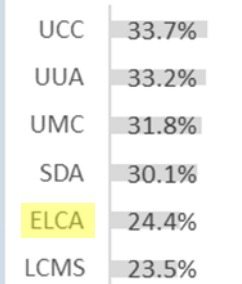
### Inspirational



### Joyful

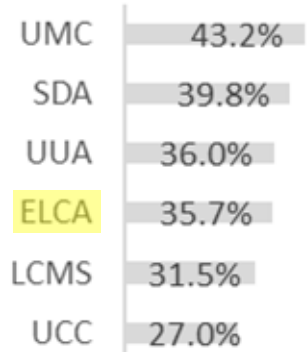


### Innovative



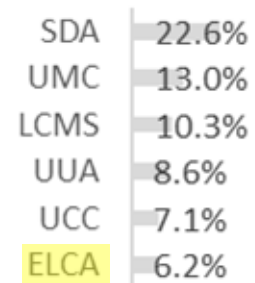
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### Youth Programs



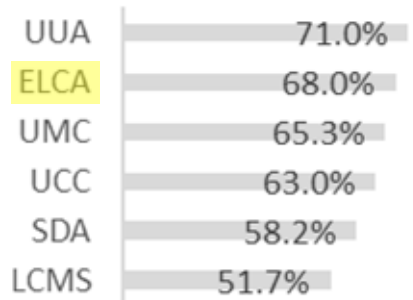
a lot of emphasis or specialty

### Young Adult Programs



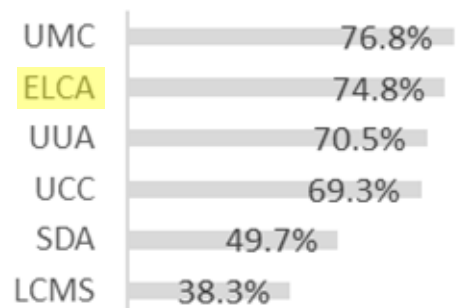
a lot of emphasis or specialty

### Fellowship or Other Social Activities



a lot of emphasis or specialty

### Community Service Activities

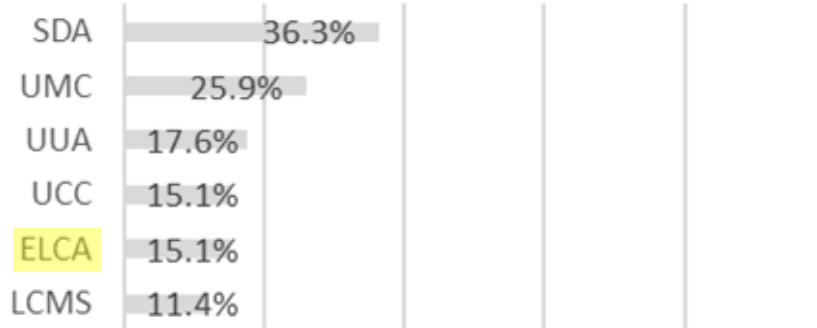


a lot of emphasis or specialty



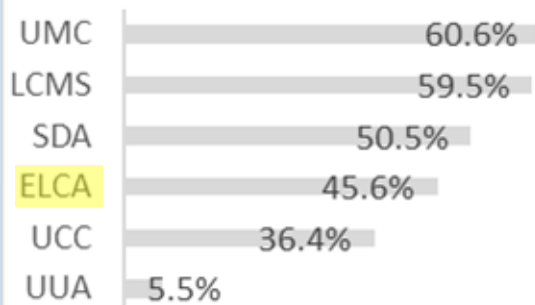
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### Prayer, Meditation or Spiritual Retreats



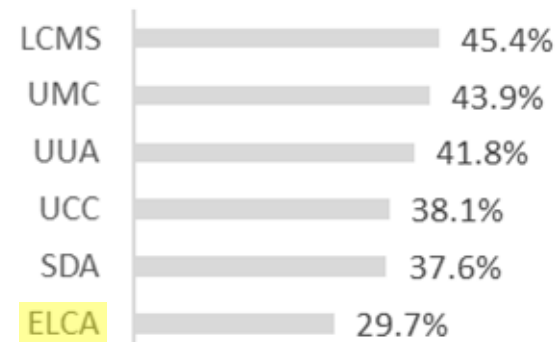
a lot of emphasis or specialty

### Bible or Theology Studies (other than Sunday School)



a lot of emphasis or specialty

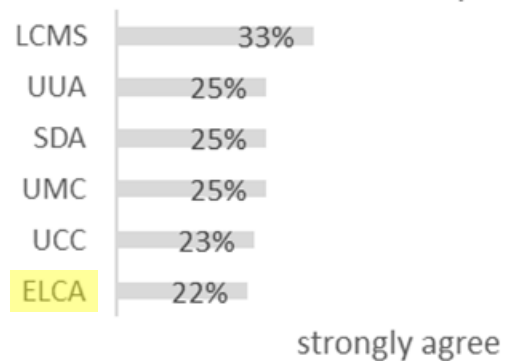
### Sunday School Participation as a Percent of Worship Attendance



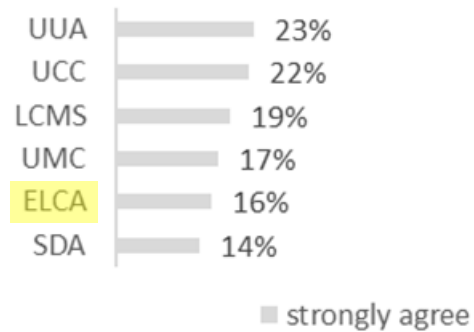
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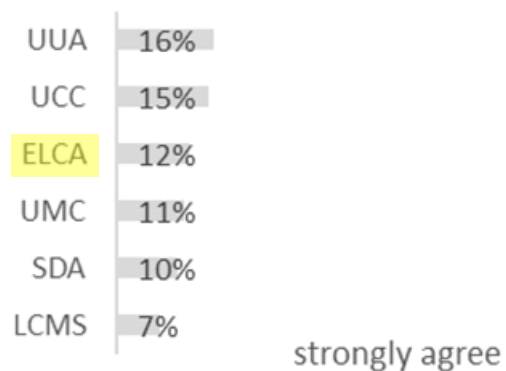
### Our Congregation Has a Clear Mission and Purpose



### Our Congregation Is Spiritually Vital and Alive



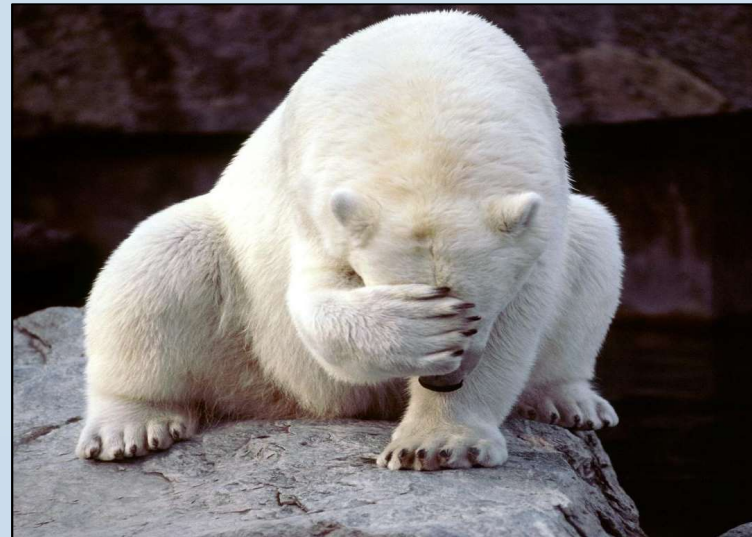
### Our Congregation Is Willing to Change to Meet New Challenges



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# What Lutherans Are Not . . .

- The best at meeting people's needs
- The best at worship
- The most friendly, caring people
- The most holy
- The most spiritual
- The most beautiful
- The most successful



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# Why are they Nothing in Particular?

- Religious people are hypocritical, judgmental, and insincere.
- Religions are too focused on rules particularly with regard to homosexuality, abortion, birth control, cohabitation, divorce/remarriage.
- Many religion are partly true, but non are completely true.
- Religious leaders and institutions want money and power, not truth.
- Religious people reject science in favor of superstition.



# A Set of Lutheran Propositions

- God's purpose is to reconcile us to one another and to all creation. God is not intent on doing us or our enemies in.
- We come to this faith not on our own but through a community and the graciousness of God.
- This faith will not make us rich or successful. Instead, it frees us from ourselves so we can serve others.
- We can do good without being good. We don't get holy or sanctified. We don't become God.
- Because we know we are simultaneously saints and sinners we are also free to tell the truth about ourselves.
- We also don't have to believe silly things like the Biblical authors new or cared about science.
- As a church we embrace being different by American religious standards. Women often run things. Gay people are welcome. We are willing to work toward good with people who see the world very differently than we do.
- When we try to help people we want to know how they want to be helped.

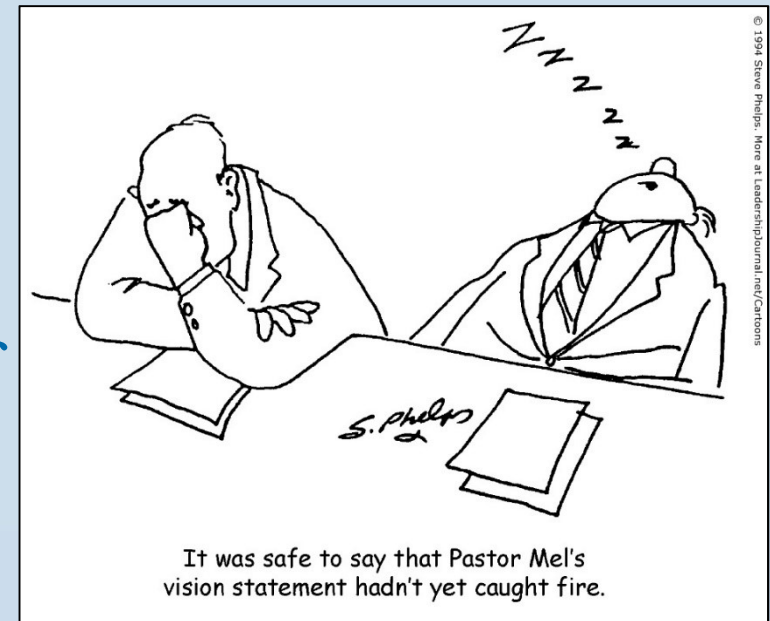


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# What does this mean....

How does the CFTC/Future Directions Statement, the CWO, and this analysis come together to create a strong strategic plan?

- How do we live into the future?
- Vision = preferred view of the future.
- Who are we to become?



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# Agenda Planning for Triennial

**2017 Calendar**

JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
SUN 1	WED 1	SAT 1	MON 1	THU 1	SAT 1	TUE 1	FRI 1	SUN 1	WED 1	FRI 1	SAT 1
MON 2	THU 2	SUN 2	TUE 2	FRI 2	SUN 2	WED 2	SAT 2	MON 2	THU 2	SAT 2	SUN 2
TUE 3	FRI 3	MON 3	WED 3	SAT 3	MON 3	THU 3	SUN 3	TUE 3	FRI 3	SUN 3	MON 3
WED 4	SAT 4	TUE 4	THU 4	SUN 4	TUE 4	FRI 4	MON 4	WED 4	SAT 4	MON 4	TUE 4
THU 5	SUN 5	WED 5	FRI 5	MON 5	WED 5	SAT 5	TUE 5	THU 5	SUN 5	TUE 5	WED 5
FRI 6	MON 6	THU 6	SAT 6	TUE 6	THU 6	SUN 6	WED 6	FRI 6	MON 6	WED 6	THU 6
SAT 7	TUE 7	FRI 7	SUN 7	THU 7	MON 7	TUE 7	THU 7	SAT 7	TUE 7	THU 7	FRI 7
SUN 8	WED 8	SAT 8	MON 8	THU 8	SAT 8	TUE 8	FRI 8	SUN 8	WED 8	FRI 8	SAT 8
MON 9	THU 9	SUN 9	TUE 9	FRI 9	SUN 9	WED 9	SAT 9	MON 9	THU 9	SAT 9	SUN 9
TUE 10	FRI 10	MON 10	WED 10	SAT 10	MON 10	THU 10	SUN 10	TUE 10	FRI 10	SUN 10	MON 10
WED 11	SAT 11	TUE 11	THU 11	SUN 11	WED 11	SAT 11	TUE 11	THU 11	SUN 11	TUE 11	WED 11
THU 12	SUN 12	WED 12	FRI 12	MON 12	WED 12	SAT 12	TUE 12	THU 12	SUN 12	TUE 12	WED 12
FRI 13	MON 13	THU 13	SAT 13	TUE 13	THU 13	SUN 13	WED 13	FRI 13	MON 13	WED 13	THU 13
SAT 14	TUE 14	FRI 14	SUN 14	THU 14	MON 14	TUE 14	THU 14	SAT 14	TUE 14	THU 14	FRI 14
SUN 15	WED 15	SAT 15	MON 15	THU 15	SAT 15	TUE 15	THU 15	SUN 15	WED 15	FRI 15	SAT 15
MON 16	THU 16	SUN 16	TUE 16	FRI 16	SUN 16	WED 16	SAT 16	MON 16	THU 16	SAT 16	SUN 16
TUE 17	FRI 17	MON 17	WED 17	SAT 17	MON 17	THU 17	SUN 17	TUE 17	FRI 17	SUN 17	MON 17
WED 18	SAT 18	TUE 18	THU 18	SUN 18	WED 18	SAT 18	TUE 18	THU 18	SUN 18	TUE 18	WED 18
THU 19	SUN 19	WED 19	FRI 19	MON 19	WED 19	SAT 19	TUE 19	THU 19	SUN 19	TUE 19	WED 19
FRI 20	MON 20	THU 20	SAT 20	TUE 20	THU 20	SUN 20	WED 20	FRI 20	MON 20	WED 20	THU 20
SAT 21	TUE 21	FRI 21	SUN 21	THU 21	MON 21	TUE 21	THU 21	SAT 21	TUE 21	THU 21	FRI 21
SUN 22	WED 22	SAT 22	MON 22	THU 22	SAT 22	TUE 22	THU 22	SUN 22	WED 22	FRI 22	SAT 22
MON 23	THU 23	SUN 23	TUE 23	FRI 23	SUN 23	WED 23	SAT 23	MON 23	THU 23	SAT 23	SUN 23
TUE 24	FRI 24	MON 24	WED 24	SAT 24	MON 24	THU 24	SUN 24	TUE 24	FRI 24	SUN 24	MON 24
WED 25	SAT 25	TUE 25	THU 25	SUN 25	WED 25	SAT 25	TUE 25	THU 25	SUN 25	TUE 25	WED 25
THU 26	SUN 26	WED 26	FRI 26	MON 26	WED 26	SAT 26	TUE 26	THU 26	SUN 26	TUE 26	WED 26
FRI 27	MON 27	THU 27	SAT 27	TUE 27	THU 27	SUN 27	WED 27	FRI 27	MON 27	WED 27	THU 27
SAT 28	TUE 28	FRI 28	SUN 28	THU 28	MON 28	TUE 28	THU 28	SAT 28	TUE 28	THU 28	FRI 28
SUN 29	WED 29	SAT 29	MON 29	THU 29	SAT 29	TUE 29	THU 29	SUN 29	WED 29	FRI 29	SAT 29
MON 30	THU 30	SUN 30	TUE 30	FRI 30	SUN 30	WED 30	SAT 30	MON 30	THU 30	SAT 30	SUN 30
TUE 31	FRI 31	MON 31	WED 31	SAT 31	MON 31	THU 31	SUN 31	TUE 31	FRI 31	SUN 31	MON 31

- Review final 2014-2016 Operational Plan.
- Discuss 2017-2019 Operational Plan, which comes out of the Future Direction Statement.
  - Churchwide unit presentation schedule to committee to be determined.



# Lilly Endowment Grant Projects

Committee reviewed research that seeks to develop a plan to help with fiscal stability of clergy and pastoral candidates. Discussion included:

- Undergraduate and seminary debt
- Healthy long-term fiscal planning for candidates
- A review of gender differences and fiscal stability among pastors
- Parameters for determining participation

- 
- Project to go live after January 2017.



# The Planning & Evaluation Committee wishes everyone

**A wonderful Advent Season**

**A Blessed Christmas**

**A Peaceful New Year**



**OH HOLY NIGHT!**



**Evangelical Lutheran Church in America**  
God's work. Our hands.



# Flexible Benefits Bundle for Lay Employees

**The Rev. Jeff Thiemann**  
**President & CEO**

November 11, 2016



# Agenda

- Flexible Benefit Bundle Overview
- Status
- Implementation & Approval Request

## It's a common dilemma

- Many congregations are forced to balance the needs of their employees against the realities of their budget
- While churches want to provide just compensation to all their church servants:
  - 1,000 fewer lay employees receive ELCA benefits today than 10 years ago
  - 13,000 lay employees currently receive benefits from other providers
- One church member recently commented:

“We need to be able to structure our benefits to fit the affordability of our church... especially for lay employees. We could add more employees to the benefits if there was more flexibility.”

## Join our pilot

Portico is partnering with forward-thinking congregation leaders to shape a more flexible lay employee benefit bundle.

- You'll be working side by side with Portico senior leaders
- You'll help shape the future of ELCA benefits
- As a pilot congregation, you'll be able to offer ELCA benefits as part of just compensation to your non-rostered employees
- This is an opportunity to both honor and retain their service to your church

# Portico can partner with you to support your lay workers

ELCA Benefits	Current	New (Lay Employees)
Retirement plan	✓	✓
Health benefits, including tax-advantaged accounts	✓	✓
Long-term disability	✓	✓
Life insurance	✓	✓

No changes to  
current benefits  
for rostered leaders

**Flexible options  
and cost for  
lay employees**

# New flexible benefit bundle: Retirement plan options

Feature	Current	New (Lay Employees)
Qualified 403(b) plan	Yes	Yes
Employee pretax contributions	Yes	Yes
20 investment funds, including 8 social purpose	Yes	Yes
Employer contributions: required	10% of compensation	<b>No</b>
Employer contributions: matching or discretionary	No	<b>Yes</b>
Vesting	Immediate	<b>Immediate, cliff, or graded</b>
Financial planning, educational seminars, debt coaching	Yes	Yes
Congregation contributions	Required	<b>Matching or discretionary</b>

# New flexible benefit bundle: Additional options for lay benefits

ELCA Benefits	Current	New (Lay Employees)
Health benefits, including tax-advantaged accounts	<ul style="list-style-type: none"> <li>Pick 1 of 4 options for sponsored employees</li> <li>Wellness \$ included</li> </ul>	<ul style="list-style-type: none"> <li>Pick 1 of 4 options <b>for each</b> company</li> <li>Wellness \$ included</li> </ul>
Long-term disability	<ul style="list-style-type: none"> <li>Benefits begin <b>2 months</b> after disability</li> <li>2/3 Income Replacement</li> <li>Health, Retirement, Life continued at no cost</li> </ul>	<ul style="list-style-type: none"> <li>Benefits begin <b>2 months</b> after disability</li> <li>2/3 Income Replacement</li> <li>Health can be continued at employee's expense</li> </ul>
Life insurance	<ul style="list-style-type: none"> <li>Up to \$50,000 basic life</li> </ul>	<ul style="list-style-type: none"> <li>Same as current</li> </ul>
Eligibility Rules	<ul style="list-style-type: none"> <li>Benefits eligibility <b>determined by plan rules</b></li> </ul>	<ul style="list-style-type: none"> <li>Portico administers eligibility <b>defined by sponsoring congregation</b></li> </ul>

## Why partner with Portico?



- We're called to meet evolving church needs with a history of innovation
- We pool community resources to deliver efficiency and savings
- Extending church benefits to lay employees is good for us all



## Our size is your advantage

- Avoid extra fees built into fully-insured health and disability plans<sup>1</sup>
- Leverage group purchasing power, best-in-class administrator fees, economies of scale
- Mitigate the risk of unpredictable health plan costs
- Offer high-performing investment funds<sup>2</sup> to your lay employees with no layers of complex fees

### 2015 at a Glance

**7,000**

Organizations served

**19,000**

ELCA-Primary health plan members

**12,000**

Members on Medicare Supplement

**50,000**

Total members served

**\$246 million**

Health claims paid

**Nearly \$8 billion**

Assets under management

1. Based on 2013 Towers Watson analysis of incremental costs of fully-insured group plans.

2. 85% of ELCA Retirement Plan funds beat their 10-year benchmarks in 2014. Find fund performance in the *ELCA Investment Fund Descriptions* at [PorticoBenefits.org](http://PorticoBenefits.org).

# We manage benefits so you don't have to

## Expertise in complex administration

- Managing diverse benefit options across employee groups ensuring compliance objectives met
- Managing multiple benefit vendors and periodic reviews
- Negotiating contracts and renewals
- Responding to changing regulatory environments (e.g. ACA reporting)



## Delivering employee wellness tools and support

- Online decision-making tools
- Wellness programs and communications
- Financial webinars
- Nationally recognized customer service

# Flexible Benefits Bundle - Summary

- Offered to Non-Rostered Lay Employees of Congregations
- Congregations would have the ability to offer retirement, health – including dental, life and/or long term disability, with flexibility to choose which of these benefits are part of their bundled offering to employees.
- On the retirement side, sponsoring employers can choose between a variety of contribution and vesting options.
- By utilizing our size, congregations can:
  - Avoid extra fees built into fully-insured health and disability plans, saving about 10%
  - Benefit from Portico’s ability to negotiate best-in-class administrative fees with vendors
  - Mitigate the risk of unpredictable changes in health plan costs for small employers
- Available to pilot congregations now
- Based on results from pilot, Portico will decide if/when to expand across ELCA

# Status

- 2016 goal is to onboard 5 pilot congregations
- 6 pilot congregations committed (as of 11/3/16)
- 53 new lay staff added to the ELCA benefits program
- 22 additional congregations considering being in pilot program

# Implementation – Requesting Approval

- New Retirement Plan and Trust:
  - ELCA Retirement Savings Trust
    - Assets will be segregated and held in trust for the benefit of members participating in the ELCA Retirement Savings Plan.
  - ELCA Retirement Savings Plan, terms
    - Congregations choose how much to contribute and vesting schedule
    - Administration and investments mirror ELCA Retirement Plan
- Amended Eligibility and “bundling requirement” in Health, Survivor and Disability Plans
- Amended Disability Plan
  - To achieve employer cost savings, disability benefits only include partial income replacement.
  - Disability Plan will not pay for retirement, health and survivor contributions.

## Report of the Advisory Committee

The basic charge of the ELCA Church Council to this group is “to sustain a robust network of theological education for the ELCA and to prioritize and oversee the implementation of TEAC recommendations.” Since our first meeting on July 22, 2016, the Theological Education Advisory Committee (Advisory Committee) has made progress in perusing, analyzing and understanding decades of discussion and data that bear on the critical issue of how to create a sustainable network for leadership identification and development. We are working to evolve that information into prioritized actions and desired outcomes.

The membership of the Advisory Committee as appointed by the Executive Committee represents the various components of the ELCA. It consists of: two Church Council members, a Synod Bishop, a synod Vice President, a seminary President, three at-large members, several key churchwide resource staff including Presiding Bishop Elizabeth Eaton, and a professional consultant. At the heart of our work is the realization that our success critically depends upon the commitment and ownership by the *entire* church, *at all levels*, and by all ELCA leaders involved in delivery across the *full* theological education ecology, and that this is not just a problem for the seminaries to resolve.

Our mission as a church is to proclaim the radical gospel of life and hope in Jesus Christ to all people. The theological education ecology we envision includes the full spectrum of faith formation and leadership development opportunities and contemplates the expression of our mission beyond the walls of our congregations.

Two of the most practical and critical issues the church faces as it transforms itself are:

- How to create a connected approach to identifying, developing and supporting our mission focused leaders in all expressions. Specifically, we need to figure out how to connect the priorities, lessons learned, and successful approaches across these expressions.
- What can be done to best steward the resources across the church in a manner that will ensure long term fiscal viability of this network of theological education and to allow for the financial health of our leaders.

Among other activities, at our initial meeting on July 22, 2016, we formed several work groups to address various components of the charge given to us in April by Church Council. On October 20, 2016, their work respectively was reviewed and progress reported as follows:

- Development of common assessment criteria to prioritize, pursue, support, and outline expected outcomes, from transformational theological education initiatives.
- Collaboration with and among the seminaries on their planning for the future and interconnection of their efforts with other church entities. Specifically:
  - Advancement of the concept of a “common theological enterprise” focused on:
    - Shared faculty
    - Coordinated approach to effective pedagogical and contextual learning for future leaders
    - Coordinated approach to global partners
    - Innovation for ethnic specific and young adult initiatives
    - Shared administrative operations

- Common governance and fiscal accountability framework. Consideration of what this enterprise might look like includes discussion around:
  1. A seminary “cluster of one” based on the previous model and results of the Eastern cluster, with a focus on being more connected as seminaries as to how theological education is delivered to enhance quality and access to expertise.
  2. Coordinated efforts to explore common learning platforms, as part of the “cluster of one” concept, and in conjunction with other efforts underway to connect ELCA resources regionally.
- As for the goal of fiscal sustainability, there are both network and seminary-specific efforts to match asset allocations to available resources (e.g., merger/affiliation updates, reductions to physical plant).
- Exploration of revised financial formulas for synod-based and churchwide funding for theological education, with assistance and input from the Conference of Bishops to ensure prioritization and focus of all on the leadership development priority critical to the sustainability of the ELCA mission.
- Initial discussion regarding mapping of the various faith formation networks to enhance approaches and identify key connections critical to expanded leadership identification and development.
- Development of a communication plan on two fronts:
  - Communication strategy and specific tactics to enhance the effectiveness of messaging across the theological ecology education network for potential leadership development participants/candidates (external).
  - Communication of transformational efforts relative to the theological education ecology to the entire church body and explanation of the expended outcomes and impacts (internal reporting to church leaders).
- Next Steps:
  1. Acceptance of assessment criteria approach and authorization to require application for all theological education initiatives requiring any ELCA resources, funding or churchwide support.
  2. Update report on seminary movement to a common enterprise to the April 2017 meeting of Church Council and review actions for stakeholders on recommendations.
  3. Report on the results of embedded and merged seminaries.
  4. Evaluate the specifics of seminary funding formulas and with additional input and insight from Seminary Presidents and Conference of Bishops.
  5. Assess asset map to identify gaps in critical connections between faith formation and referral/discernment support as it relates to all theological education opportunities (e.g., lay, ordained, deacons, continuing, first call, etc.).

6. Identify opportunities to expand the availability of and investment in effective education models for ethnic and young adult theological education and create a systemic approach to replicating such models across the theological education ecology.

Theological Education Advisory Committee:

John Lohrmann, Church Council, Chair  
Christine Connell, Church Council  
Bp. Jessica Crist, Conference of Bishops  
Rev. Dr. James Nieman, Seminary Presidents  
Rev. Dr. Doug Liston, Lay Schools  
Randall Foster, Synod Vice Presidents  
Rev. Leila Michelle Ortiz, At Large  
Dr. Paul Pribbenow, At Large  
Diane Roznowski, At Large  
Bp. Elizabeth Eaton, Presiding Bishop  
Rev. Stephen Bouman, Resource Staff  
Rev. Greg Villalon, Resource Staff  
Rev. Jonathan Strandjord, Resource Staff  
Dr. Kenn Inskeep, Resource Staff  
Rev. Wyvetta Bullock, Resource Staff  
Christine Smith, Consultant



**INTERNAL AUDIT REPORT TO ELCA AUDIT COMMITTEE**  
**November 9, 2016****Executive Summary**

Since the last Audit Committee meeting on June 8, 2016, the following have been accomplished:

- Completion of five churchwide reviews (fixed assets, deferred gifts, receipts processing follow-up review, payroll/human resources, disbursements/accounts payable); and
- Completion of three MIF reviews (loan operations follow-up review, payroll/human resources, loan and investor obligations confirmations)

**Staffing**

The internal audit function has audit responsibilities for MIF and ELCA. The 2016 staffing has been outsourced to CapinCrouse LLP. The work done by CapinCrouse LLP will be conducted primarily by an Audit Manager with assistance from several Associates and with oversight and supervision provided by a Partner.

**Review of 2017 Audit Plan**

As written, the 2017 audit plan calls for the completion of 18 reviews, consistent with the 18 reviews completed during 2016. Highlights of the 2017 plan include:

- The plan calls for the following mix of audits:

<b>Entity</b>	<b>2017 Plan</b>	<b>2016 Plan</b>	<b>2015 Actual</b>	<b>Average</b>
Churchwide	1,225 (54.6%)	1,490 (67.1%)	1,245 (60.7%)	1,320 (60.8%)
MIF	1,020 (45.4%)	730 (32.9%)	805 (39.3%)	852 (39.2%)
Total	2,245 (100.0%)	2,220 (100.0%)	2,050 (100.0%)	2,172 (100.0%)

- Churchwide 2017 audit activity includes the following reviews:
  - Disbursements/accounts payable (follow-up review);
  - Fixed assets;
  - Loans process (follow-up review);
  - Regional offices (Regions 1, 2, 3);
  - Receipts processing;
  - Cash management operations
  - Contracts (follow-up review);
  - Employee business expenses (follow-up review);
  - Investments;
  - IT operations;
  - Payroll/Human Resources (follow-up review);
  - SSAE 16 reviews;

The 2017 audit plan has been customized to not only maintain a cycle of regular audits, but to reflect Internal Audit's analysis of the major risks facing MIF and Churchwide Organization at this point in time. This customization will not affect audit efficiency, with the 2017 audit universe being planned level with that of 2016 and the audit cycle holding fairly steady at 1.5 years.

Please see the 2017 Audit Plan for full details of the plan.

**Summary of Audit Issues Identified**

<b>Exceptions from last Internal Audit report</b>	<b>New Exceptions</b>	<b>Exceptions resolved since last Internal Audit report</b>	<b>Exceptions outstanding</b>
15	5	3	17

## **Issues Identified in Audits Performed Since the Last Audit Committee Meeting**

### **Fixed Assets**

**Fixed Asset Purchases** – A sample of 15 purchased assets was selected for testing to verify each was placed into service in an accurate manner and properly depreciated from the date of purchase. Detailed testing indicated that controls governing the fixed asset purchasing process are in need of minor improvements. Specifically, of the 15 purchases reviewed:

- While immaterial, accumulated depreciation for four of the assets were not correctly calculated due to formula errors. Management noted they are in the process of migrating the tracking of fixed assets from a manual spreadsheet to the fixed assets module of the general ledger system, so these manual calculation errors will be eliminated once that migration takes place.
- For one of the items selected, the sum of the invoices did not agree to the amount capitalized. While immaterial, we recommend that management review the capitalized amounts of all fixed assets during the migration project noted above to ensure accuracy.

**Management's Response** – *The team has completed the analysis work needed to bring the fixed assets (FA) module to a point where all assets are now being depreciated through the FA module. It was then tested in October for the September month-end close. All depreciation was recorded by using the system process with what should be the last adjusting journal entry needed to bring the depreciation worksheet in sync with the system. The final phase of removing the old assets that are in the FA module but not accounted for in the GL need to be removed. IT will hopefully be able to help with this final task.*

### **Receipts Processing Follow-Up Review**

**Bank Reconciliations** – During our testing of bank reconciliations, we noted these continue to be accurately completed and properly approved. However, the following items were noted:

- The reconciliations for the EL and FL ledger were completed 52 days and 55 days, respectively, after month-end.
- There was one large reconciling item related to both FL and EL ledgers greater than 90 days outstanding.
- There were 20 outstanding checks greater than five years old.

We recommend that all reconciliations be completed within 30 days after month-end and old reconciling items be resolved timely.

We also recommend outstanding checks greater than 5 years old be remitted to the State of Illinois per unclaimed property rules.

It should be noted that ELCA is actively working to fill several open positions so that the bank reconciliation process can get back on track. One option to improve efficiency in this area would be to purchase a reconciliation software package.

**Management Response** – *A new reconciliation log is in the implementation phase. The log includes a Key Performance Indicator section for open items (quantity, \$ value and open items over 90 days). This is a tool that will help management to follow up on reconciliation progress and establish action plans. Management is working with the unclaimed property process and communicating with vendors and constituents that still have outstanding checks to inform them of the unclaimed checks. Any item that remain open at the end of the year will be filed to the state following Unclaimed Property rules.*

**File Maintenance** – Testing revealed that the monthly maintenance reports for the ECIS donor system were not reviewed during the period under review. We recommend the monthly maintenance report be sent to the Director of Constituent Support monthly for review, and we further recommend the Director of Constituent Support either sign the monthly maintenance reports, or reply by email to the Receipts Processing Manager that he has completed his review. This will ensure a proper audit trail is followed.

**Management Response** – *The Director of Constituent Support is reviewing and replying by email as evidence of his review, but he missed replying to a few of the emails. To avoid this situation, a plan is already in place, whereas the review and email response will now take place before the 25<sup>th</sup> day of each month.*

## **Payroll and Human Resources**

**Global Mission Terminations** – A sample of 5 missionaries who left the ELCA during the audit period were examined to verify that all documentation supporting the termination process was completed and approved, that each missionary's final pay check was accurate and that the employee was removed from the payroll system immediately after the termination date. CC noted 2 exceptions in which there were errors in calculating the final paycheck. One employee's final paycheck was incorrect by \$10 due to a miscalculation in the prorated days to be paid. The other employee's final paycheck was incorrect by \$45 due to HR not being informed of the termination prior to the employee's last full monthly payment.

We recommend management implement a review process specifically for final paychecks so that larger errors don't go unnoticed.

We also recommend HR and the units improve the flow of information to ensure HR is notified immediately of an employee's termination.

**Management's response** – *HR has begun working with units to ensure that termination dates are sent to HR timely and are accurately recorded on Personnel Action Forms. This should eliminate the errors noted during this audit. Additionally, Payroll continues to audit payroll, including final paychecks, to mitigate potential errors.*

## **Disbursements and Accounts Payable**

**Dormant Vendors** – CC obtained a report from IT listing all vendors that had no activity for a year or longer up through January 1, 2016. CC then selected 7 vendors (there were only 7 on the list) and obtained the “Vendor File Maintenance Audit Trail” report to ensure the vendors had been moved to inactive status. CC noted that all 7 vendor selections were still active in the system. On an annual basis, we recommend Accounts Payable move all vendors with no activity in the previous 12 months to inactive status.

**Management’s Response** – *Management will explore with IT the possibility to put in place an automatic process for inactivating dormant vendors (including management dormant vendors list review). Due to the nature of our organization, the proposal is to review the list on a yearly basis and inactivate dormant vendors with no activity for previous 18 months, with the exception of certain vendors that we engage with every 3 years for our large events. In situations like this, management will create an approved list of vendors that will be excluded from the inactivation process.*

## **Update of Prior Audit Recommendations**

### **Receipts Processing**

**Receipts Processing Controls** – It was noted that while the mailroom strives to have two people present while sorting the mail, there are times when only one person performs this task due to staffing constraints. As the mailroom staff are also responsible for printing donor acknowledgement letters, it would be possible for someone to take a gift and then issue a fake receipt to the donor. We recommend two people from the mailroom always sort the mail together to ensure proper dual custody is achieved. If this cannot be performed due to staffing limitations, another option would be to install a security camera in the mailroom. While we believe the risk of misappropriation is fairly low, the benefit of implementing this recommendation should be weighed against the cost.

**Update** – *Even though management understands the risk is very low, we will explore the possibility of the mailroom not having the ability to change or create acknowledgment letters and the installation of security cameras vis a vis the cost associated to these solutions.*

**Stock Gifts** – We noted that gift acknowledgement letters sent to donors included the value of the stock gift. Per IRS regulations, gift acknowledgement letters should only include a description (but not the value) of stock donations. For publically-traded stock, it would be permissible to include the high, low and closing price of the stock on the date of donation.

**Update** – *Per the recommendation of Internal Audit, Mission Advancement has been working with a CRM Data Analyst to make the changes in the letter. They will need to include IT in the process because at this point, it seems a program may be need to be written in order to comply with the recommendation.*

## **Payroll and Human Resources Follow-Up Review**

**Performance Reviews** – A sample of employee performance reviews was tested to verify that each had been properly completed and approved to support any pay increases given for the next fiscal year. Based on the testing performed, one of the employees (Women of the ELCA) did not have a performance review on record. It was discovered that the performance reviews conducted within the Women of the ELCA unit are done verbally.

It is recommended that performance reviews for the Women of the ELCA be documented, signed and returned to HR for record-keeping purposes.

**Update** – *HR has advised the Executive Director for the Women of the ELCA that all performance reviews are to be documented, with employee and supervisor signatures, then forwarded to HR for review and filing in personnel files. HR will ensure compliance with this policy during the annual review process which begins in December.*

## **Contracts and Leases Follow-Up Review**

**Contracts** – A sample of contracts was selected to verify that each has been properly reviewed, approved and tracked in an accurate manner. For the contracts reviewed:

- Two contracts were not approved by the vendor prior to contract start date.
- One contract was not signed by the vendor.
- One contract exceeding \$10,000 did not have a competitive bidding form, as required by current policy.
- One contract exceeding \$30,000 was not reviewed by the Office of the Secretary legal counsel, as required by current policy.

To address these issues, it is recommended that:

- Management reinstruct the staff to follow the policy that requires all new contracts to be reviewed and signed by all parties involved prior to the start date listed in the contract;
- Management reinstruct the staff to follow the policy that requires all contracts exceeding \$10,000 to have a completed competitive bidding form; and
- Management reinstruct the staff to follow the policy that requires all non-personnel contracts and leases exceeding \$30,000 to be reviewed by legal counsel.

**Update** – *A draft of contract procedures developed by both the Office of the Treasurer (OT) and Office of the Secretary (OS) are being reviewed and will be presented for consideration at the (tentative) October Policy Review Committee (PRC). Following approval of the procedures, the procedure will be posted on the P&P index on SharePoint and the organization will be reinstructed via email of the new procedures. A series of orientations will be scheduled to assist in compliance (February and March 2017), including a more in depth training for OT, OS and "power" users (February 2017). Guidance about required signatures has been added, as well as accompanying documentation (i.e. bids).*

**Leases** – A sample of leases was selected to verify that each has been properly reviewed, approved and tracked in an accurate manner. For the leases reviewed:

- Three leases were missing vendor signatures;
- Seven leases exceeding \$5,000 did not have two authorized signatures on the agreement;
- Six leases exceeding \$10,000 did not have a competitive bidding form, as required by current policy;
- Four leases exceeding \$30,000 were not signed by a member of the legal counsel, as required by current policy; and
- One lease extension could not be found.

To address these issues, it is recommended that:

- Management instruct the staff to verify all new contracts are signed by the vendor;
- Management reinstruct the staff to follow the policy that requires all leases exceeding \$5,000 to have two authorized unit signatures.
- Management reinstruct the staff to follow the policy that requires all leases exceeding \$10,000 to have a completed competitive bidding form;
- Management reinstruct the staff to obtain legal counsel approval for all leases exceeding \$30,000; and
- Management work with staff to develop a checklist before leases are scanned into the repository to ensure all pieces of relevant documents are included.

**Update** – *A draft of contract procedures developed by both the Office of the Treasurer (OT) and Office of the Secretary (OS) are being reviewed and will be presented for consideration at the (tentative) October Policy Review Committee (PRC). Following approval of the procedures, the procedure will be posted on the P&P index on SharePoint and the organization will be reinstructed via email of the new procedures. A series of orientations will be scheduled to assist in compliance (February and March 2017), including a more in depth training for OT, OS and "power" users (February 2017). Guidance about required signatures has been added, as well as accompanying documentation (i.e. bids).*

## IT Operations

**Modems** – Testing was completed to verify that all modems are inventoried and monitored on a regular basis. However, it was noted that a detailed listing of modems was not available. Per IT management, the IT department does not currently have a process to ensure these items are properly inventoried. Without an active list, it would be difficult to ensure that modems are properly updated with the newest security measures.

**Update** – *Infrastructure has determined that we no longer have any outbound modems except the fax machines around the building. The list of ELCA fax machines will be reviewed by IT on a quarterly schedule, starting in 2017. This review will confirm the fax machine building location, network location, fax number and that there is no malicious activity in the logs. Management will review the current network segmentation to determine if any additional controls are needed to limit connectivity.*

**Monthly Access Approval** – Testing was conducted to verify that the monthly systems access reports have been reviewed and edited as appropriate by the unit executives, and that each employee's access appears appropriate for their job related responsibilities. It was noted that the monthly systems access reports are not always being reviewed on a monthly basis by all units. For two of the units selected for testing, no review was indicated. We recommend IT management re-instruct the units on the importance of their timely review to ensure all systems access is appropriate and necessary for each employee listed in their department.

**Update** – *This recommendation has been implemented. Unit executives are now reviewing the system access reports on a monthly basis and notifying IT of any changes.*

**New Employee Systems Access** – A sample of new employees was selected for testing to verify that their systems access was accurately set up prior to their start date. Detailed testing indicated one of the new employee forms was submitted by HR to IT two days after the hire start date. Once the proper forms were submitted, IT fulfilled the request within their turnaround standards listed in their policy. It is recommended that HR and IT work together to ensure new hires are granted systems access prior to the start date.

**Update** – *This recommendation has been implemented. With the implementation of the new STAR system, new employees were granted systems access prior to their start date.*

**Contractors' Systems Access** – A sample of contractors' systems access forms was selected for testing to verify that each contractor's systems access was terminated on or prior to the contract's end date. For one of the terminated contractors selected for testing, it was noted that systems access was terminated two days after the contract end date. This delay resulted from HR initially submitting an unapproved separation form to IT. It is recommended that HR and IT work together to ensure access removal for all terminated contractors is timely processed.

**Terminated Employee Systems Access** – A sample of terminated employees was selected for testing to verify that their systems access was disabled on their termination date or their last day in the office, whichever occurs first. Detailed testing indicated that for one terminated employee, their access was disabled 8 days after the termination date, and IT has yet to receive the request form from HR to completely remove systems access, which has now been over a year. Also, it was noted that systems access was disabled 1-6 days after the termination date for 5 other employees.

We recommend that HR and IT work together to ensure that all terminated employees have the proper IT request forms in place and are submitted to IT according to IT policy, and that systems access is disabled on the last day of employment.



**Remote Access** – A sample of employees with VPN access rights was selected for testing to verify that each employee’s access appears appropriate and that they have an approved “Request for Remote Access” form on file. Detailed testing indicated that the remote access form for two of the individuals selected did not have evidence of management approval. However, these two individuals began their employment prior to 2014. Management believes this process has since been strengthened and that all new employees requesting VPN access are handled according to current policy.

It is recommended that the unit executives examine all users in their unit who currently have VPN rights and verify that the remote access forms on file are approved by the appropriate individuals, and that all users who no longer need VPN access be removed.

**Update for three previous comments** – *In August of 2016, IT rolled out the new Systems & Technology Access Request (STAR) process for all units of the ELCA other than MIF (scheduled for Q4, 2016). With STAR, all employee updates including contractors are initiated by HR and are routed via workflow and automation for necessary approvals, account provisioning, account changes, or account deactivations. This process is tightly integrated with the onboarding process so that employee accounts who have a pre-determined end of employment date automatically expire on that date. Where an end date is not applicable for an employee, a STAR request must be initiated by HR to separate an employee which automatically sets the Active Directory account expiration date and time.*

*The new STAR interface and streamlined process has proved to be very effective and simple to use by HR and Units, however, STAR or IT are not able to act on information that is not provided to them or processes that are outside of their control. IT and HR are continuing to explore how to improve communications and potentially integrate the HRIS (Paylocity) with STAR.*

**Disaster Recovery Plan** – The current IT disaster recovery plans were reviewed and measured against best practices in order to determine how comprehensive these plans are. It was noted that the disaster recovery plan for MIF mentions an Incident Management Team (IMT) will be formed, but it appears this has not yet been completed. It was also noted that this plan has not been updated since 2012. Finally, it was noted the plans for ELCA and MIF have not been fully tested for several years. We recommend an IMT be formed for MIF, and the current plan be updated. Finally, as a best practice, we recommend the disaster recovery plans be tested, at least partially, on an annual basis.

**Update** – *The ELCA and MIF disaster recovery environments have been fully migrated to a new managed cloud platform. As part of this migration, significant testing of the components of the plan have been tested for both the ELCA and the MIF. Information Technology continues to work with both ELCA units and MIF on incremental enhancements to the plan as well as ongoing testing to ensure readiness for potential disruptions in technology services to both organizations.*

## Fixed Assets

**Asset Inventory Tracking** – A sample of assets from IT was tested to verify their existence, and also to test the completeness and accuracy of the Track-It inventory system. Detailed testing indicated varying degrees of compliance. Following is a summary of the findings.

Existence Testing Findings (vouching equipment from the Track-It inventory listing to the location in the building):

- There were no Tag# ID's attached to the shredders on the 8<sup>th</sup> floor within the MIF department.
- The projector that was listed for the HR Training Room was found to have a different projector with a different Tag#.
- A monitor that was listed for an employee was unable to be located. Instead, there was another monitor at the employee's desk which was supposed to be at a different location per the Track-It listing.

Completeness Testing Findings (tracing equipment from a location in the building to the Track-It inventory listing):

- The projector that was listed to be in the IT Training Room on the 5<sup>th</sup> floor was actually on the 9<sup>th</sup> floor HR Training Room.
- The speakerphone in Conference Room 10C did not have a Tag#.

As management is in the process of replacing Track-It with a new system, we recommend a complete inventory be taken so that the new system begins with an accurate listing. This will also involve ensuring all equipment is tagged and updated with the proper location. We also recommend an annual inventory take place which will help ensure the accuracy and integrity of the inventory system.

**Update** – *An Asset Management Policy has been approved. The policy establishes guidelines for the physical counting of assets and roles and responsibilities. IT is in the process of re-writing a job description that will include inventory responsibilities. We will focus the duties around accuracy and reviewing on a consistent basis as defined by IT policy and procedures. IT has reprioritized selecting and implementing a new system into next fiscal year. IT will continue to proactively manage the inventory in the existing system until a new system can be selected and implemented. As the roll out of new computers has taken place in the first half of 2016, the inventory is updated as users receive their new units.*

**Disposal of Mobile Assets** – Discussions with management revealed there are no written approvals made by upper management allowing any items to be disposed of; instead, verbal approval is given.

It was also noted that while the Helpdesk Supervisor reviews and approves all disposals, there are no controls in place that would prevent himself from misappropriating a piece of equipment and removing it from the Track-It system.

The following changes are recommended in order to improve controls:

- Implement a policy requiring written management approval for the disposal (sale, scrap, and donation) of all mobile assets; and
- Have a member of management (without systems access to Track-It) perform a periodic review of the Track-It system to ensure all disposals were appropriate, and document evidence of this review.

**Update** – *This recommendation has been implemented. A Controlled and Consumables Assets Policy is now approved and addresses the concerns regarding approval process of disposal of assets. The process specifies the proper steps to occur before disposing of an asset.*

**Artwork** – Although artwork is not capitalized on ELCA's statement of financial position, it has been several years since a formal inventory has been taken. If economically feasible, we recommend this be performed within the next year to ensure the accuracy of the listing.

**Update** – *A physical inventory process will start in December 2016. Tags have been purchased and conversations are ongoing with IT for their assistance uploading the physical inventory information to the excel spreadsheet.*

All other significant issues identified in prior audits have been addressed by management.

### **Items Warranting Special Mention**

There were no issues noted by Internal Audit during the five months since the last ELCA Audit Committee meeting that require the attention of, or action by, the committee. In addition, there have been no whistle blower complaints received during this period and none are pending.

### **Audits Scheduled for the Remainder of 2016**

***Churchwide/MIF IT Operations*** – A follow-up review aimed at verifying all issues identified in the last full scope review (2015) have been addressed by management;

***Churchwide Endowments*** – A full scope review to ensure compliance with endowment policies, to verify endowments are properly recorded, and to ensure investments and related income are properly computed and allocated to endowment accounts.

***Churchwide Fixed Assets*** – A follow-up review aimed at verifying all issues identified in the last full scope review (2015) have been addressed by management;

***Churchwide Loan Operations*** – A full scope review to ensure compliance with current policies, loan documents are properly prepared and executed, loans are properly recorded, and to verify proper segregation of duties;

***Churchwide Regional Offices*** – A full scope review to ensure compliance with current policies and to verify proper segregation of duties;

***MIF Allowance for Loan Loss Reserve*** – An annual review of the reserve calculation. Objectives include verifying that the allowance is determined and documented in accordance with the loan loss policy and impaired loans are properly classified as such;

***MIF Disbursements/Accounts Payable*** – A full scope review to ensure compliance with current policies and to verify proper segregation of duties;

***Churchwide/MIF Contracts and Leases*** – A full scope review to verify that all contracts and leases are properly reviewed, vetted and approved by the appropriate levels of management;

## **Conclusion**

Based on audit observations since the last Audit Committee meeting on June 8, 2016, the Churchwide Organization appears to continue to operate in an overall control-conscious environment, has implemented a number of audit recommendations, and has continued to develop needed policies and procedures governing day-to-day operations. Management has been supportive of the Internal Audit function and has not attempted to influence the work of the internal auditors, nor have they restricted access to any areas or records. The interim Internal Audit team understands that they have free and unlimited direct access to the ELCA Audit Committee, and has maintained independence in both fact and appearance in executing the responsibilities of the Internal Audit Department.

## **Report of the Conference of Bishops**

In her report to the Conference of Bishops (CoB) this fall, Presiding Bishop Elizabeth Eaton suggested that much of the work we do together as the ELCA these days is along the sometimes thin edges (my image, not hers) between contextuality and catholicity and raises questions about how we engage mutual support and accountability to the gospel, to one another, and to our common baptismal vocation. Much of the work within and through the Conference of Bishops rides along these same margins.

This is evident, for example, in the yearlong examination of the process of assigning first call folks to regions and synods led by a working group, chaired by Bishop Patricia Lull (St. Paul Area Synod). As I pointed out to the Conference of Bishops, the first call assignment process is one of very few things that the CoB actually has primary authority over as a conference. Yet the examination of and dreaming about new ways of doing these assignments was highly consultative and involved surveys and conversations with a wide range of people responsible for, involved in, and affected by the first call assignment process over the last few years.

The resulting recommendations, which were adopted by the Conference of Bishops at our fall 2016 meeting, seek to directly engage the tensions between local or individual context and the catholicity of a call to public ministry. I believe the redesigned process is more transparent, tends more carefully to the intersection of the needs of candidates and the needs of the church, and takes into account the many cultural, ecclesial, and other changes that now make up the world in which we live. A copy of the adopted re-design is attached to this report.

There are still details to be worked out in this process, so, other than the availability of some new information, the redesign will not much affect the February 2017 Assignment Consultation. Under the working group's leadership and in partnership with regional, synod, seminary and churchwide leadership, most of the redesigned assignment process should be in place for the fall 2017 consultation, with some aspects rolling out over the next two to three years. In the meantime, Bishop Lull and the working group are providing very fine leadership in crafting and initiating communication about the assignment redesign with the various partners involved in it.

The CoB continues to walk along the edges of contextuality and catholicity, support and accountability with the presidents and other leaders of our seminaries as well. During the fall 2016 CoB meeting, seminary leaders met with bishops who serve on seminary boards, some met with bishops from the regions that support them, and all sat at tables with bishops as we discussed challenging questions related to synod funding for seminaries. This last conversation was part of the "TEAC 2" report from Bishop Jessica Crist (Montana Synod). Bishops and seminary leaders were able to hear from one another the distinct challenges and opportunities faced by each around such funding. These conversations are seldom easy or comfortable; but they are crucial as we seek to move forward faithfully and together.

Speaking of moving forward faithfully and together, the new guidelines for Church Council guests at CoB meetings were welcomed and helpful this fall. Participants had more clarity about what portions of the meeting would be most helpful to attend and which aspects are most appropriately "bishops only." Church Council guest presence is both welcome and helpful. It was very helpful to have Vice President-elect Bill Horne with us to both bring a report and to offer initial insights about how we might deepen and grow the working relationship between the CoB and Church Council. Similarly, our other two guests, Jim Hushagen and Meri Jo Petrivelli, shared reflections with us Sunday morning, both expressing desire to find ways to deepen the mutual support and accountability between the CoB and Church Council and to revisit whether the primary role of the CoB as "advisory" is the most helpful way forward. The CoB Executive Committee welcomes opportunities to work with the Church Council Executive Committee to continue to deepen the ways in which we work alongside and with one another, as we also continue to engage deep conversations with the ELCA Administrative Team toward the same end.

Similar themes continue to rise up as the Conference of Bishops continues its in-depth engagement with the Future Directions process. We are grateful for the very fine leadership of Bishop Tracie Bartholomew (New Jersey Synod) and Bishop Jon Anderson (Southwest Minnesota Synod) as CoB liaisons on the Future Directions table. Insights from the three hours of discussion at the fall 2016 CoB meeting will be incorporated into the Future Directions discussion at this Church Council meeting.

The Conference of Bishops continues to work on so much more together and each in our own territory that, to borrow and adapt from the gospel writer John, if every one of them were written down, I suppose that the world itself could not contain the reports that would be written...well, not quite, but this report would expand beyond its two-page limit. So here are just a few more things we are working on:

- Questions around how we find our “episcopal” voice, together and individually, at Churchwide Assembly, as a Conference during and between meetings, as clusters of bishops around particular issues, and as individual bishops in the territories we serve, mindful of the contextuality/catholicity tension and that we serve in companionship, partnership, and mutual accountability with colleagues and other partners in mission across the church and country;
- The significant number of new bishops in recent years and yet to come, and what that means for our formation and role as synod bishops, how we work together as a conference and with other ELCA leaders and teams, and how we lead in the context of a changed and changing world;
- Finding ways to resource one another, in partnership with others, around questions of congregational vitality and other significant challenges facing the church across the U.S. in ways that differ by location and history.

In these and other conversations, of course, we quickly learn that tension can easily emerge at the edges where contextuality and catholicity, support and accountability meet. Such tense intersections are also where the renewing, energizing work of the Holy Spirit is most often most transforming.

Two items for consideration by the Church Council:

- The Conference of Bishops recommends the appointment of Bishop John Roth (Central/Southern Illinois Synod) to the “Women and Justice: One in Christ” task force, filling the position vacated by former bishop Jeff Barrow.
- The Executive Committee of the CoB has not yet had a chance to consider a response to “Call process (Motion F) (CA16.06.33)” which was passed at the 2016 CWA and for which the CoB has been designated to take the lead. In consultation with the Office of the Presiding Bishop, Domestic Mission, and the Church Council, we will establish a working group at the spring 2017 meeting of the CoB with the expectation of an initial report, including a plan for addressing the resolution, at the fall 2017 CoB meeting to be presented, in turn, to the November 2017 Church Council meeting. I hope this will be acceptable.

Finally, a personal note: As many members of the Church Council know, my father died suddenly and unexpectedly on September 15. As I traveled to and spent a week in northern Minnesota to tend to various concerns and to spend time with my five younger brothers and their families, my family and I were carried forward in many ways by the prayers, well-wishes, and the gracious covering of my commitments and responsibilities by many of you, our synod staff, churchwide staff, ecumenical colleagues, and other members of the church and friends around the globe. Thank you for this grace.

## **ADOPTED PROPOSAL FOR REDESIGNING FIRST CALL ASSIGNMENT**

A working group was formed in fall 2015 to address concerns about the effectiveness of the current first call assignment process. One bishop was appointed by each region to assess the current process and to propose promising elements for a redesign. With the assistance of Research and Evaluation staff, the work group created a survey and collected data from recently called pastors and deacons, from those awaiting a call and from members of the Conference of Bishops. Conversations were hosted with four constituent groups – seminary representatives, members of candidacy committees, regional coordinators and leaders of the ELCA’s ethnic associations. Based on collected data and those conversations, work group members were invited to submit models for the proposed redesign.

Throughout the process two concerns continued to weigh on the members of the work group. These were well stated by a member at a meeting on September 29, 2016. Neither of these concerns is fully addressed by the following proposal. These concerns are:

- How can a process, driven by the expressed preferences of candidates, ever lead the needed candidates to the less preferred synods, which are mainly rural in context?
- How can bishops and synods help address the need for significantly more prepared and deployable pastors than are presently in the candidacy process?

The work group is well aware of the changing landscape into which candidates step for their first call experience. A portion of the congregations that were once welcome sites for newly ordained pastors can no longer meet minimal compensation guidelines. Seminary debt and the need for spousal employment are factors that impinge on the ability of many candidates to go where the church needs their gifts and service.

Yet, nearly two thirds of candidates move into their first call at a pace that meets or exceeds their expectations. Feedback from candidates indicates that frequent, clear communication with the synod to which they are assigned matters a great deal. The work group acknowledges that improving communication with all assigned candidates is a significant matter during the transition from seminary to first call.

### **Recommendations for redesign:**

**Recommendation 1:** The current design continues to serve as a framework for this proposed redesign. However, the assumption that all candidates can or need be open to service to the whole church is no longer a workable assumption. It is more realistic to expect each candidate to be as “open as you can be”, acknowledging gifts, family circumstances, and other factors that root candidates in particular places at the time of assignment.

**Recommendation 2:** Recognizing that some candidates need not be available for service across the ELCA, a home synod preference option will be added to the current assignment process. This is not a stand-alone process but rather a track for some candidates. Included in the home synod preference option are TEEM candidates and other candidates whose life circumstances and gifts warrant remaining within the home synod for first call. Such candidates would be recognized early in the candidacy process (by the time of endorsement), recommended for this option by the bishop and approved for such status by the bishops of the region. The number of candidates in the home synod preference option directly impacts the number of candidates available at the time of the assignment consultation, as approved restrictions and administrative assignments do currently. For this pilot, TEEM candidates will continue to be “non-counting”. In addition, synods may designate up to two other home synod preference option candidates per year, who are in MDiv degree programs. Those candidates will “count” at the time they are actually available for first call. (This pilot will be reviewed in fall 2019 to assess its impact on the overall placement of first call candidates.)

**Recommendation 3:** Recognizing the role that bishops play in the current assignment process, a map indicating the synods in which first call candidates have received their first calls over each of the past five years will be shared with the Conference of Bishops at their semi-annual meetings. At a bishop's discretion the map could also be shared with entranced candidates to help build a realistic understanding of where first call placements are located across the country.

**Recommendation 4:** Recognizing that more information about first call vacancies is helpful to candidates, a map of projected vacancies will be shared with candidates before they complete their paperwork for assignment. The map will be accompanied by a listing of projected first call vacancies in each synod with a brief description of context and gifts needed in a pastor. Neither the church name nor the actual zip code will be included. In addition, synods will be invited to post a brief video on the assignment website, introducing the unique characteristics of service in that synod.

**Recommendation 5:** Recognizing that not all candidates enter the assignment process with an openness to service wherever needed in the ELCA or with stated preferences, the assignment consultation will focus exclusively on candidates who are open to service in a variety of synods. Restrictions will be minimized through the home synod preference option, which will be entered into the count for each assignment cycle. As happens currently, when a restriction is granted a candidate will be assigned to a synod for first call by administrative assignment. Bishops are reminded that candidates whose requests for restriction are honored are not available for interviews in congregations until after the next assignment consultation.

**Recommendation 6:** As a test of how efficiently bishops are working to distribute candidates available for service across the church, synods will be asked to provide a ranking of desired candidates in excess to the number that will actually be assigned to that synod. Those ranked preferences will be correlated with the ranked preferences candidates already provide in the assignment process. The stated preferences of synods and candidates will be correlated with the actual outcomes of the assignment process. This test is designed for the learning of the Conference of Bishops and is not a planned assignment process and will be reviewed following each assignment consultation.

Upon adoption by the Conference of Bishops, the details for implementation of these recommendations will begin immediately. Some may be introduced in time for the spring 2017 assignment with others following as details are refined. Bishops will be updated as each recommendation is ready to be implemented so that there is clarity of expectations for all parties involved in the assignment process.

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The work group also generated ideas about two projects beyond the scope of redesigning the first call assignment process. These related projects could be undertaken by willing members of the current work group or handed to a new work group for future refinement. These projects include:

1. Create a simple communication plan, using best practices, which outlines steps to take in the time between the assignment of a candidate to a synod and installation in a first call.
2. Work with the seminaries and DM's Leadership and Vocation staff to set up a web-based communication platform for bishops of a region to speak with all interested seniors prior to the assignment process. Such calls would provide opportunities in a group setting to explore the match between the gifts of candidates and the congregational needs within synods. Related to this there may be opportunities to use the same technology to include all interested bishops in the conversations during seminary visits.

Members of the Redesign of Assignment Work Group:

Bishop David Brauer-Rieke (Region 1), Bishop Jim Gonia (Region 2), Bishop Jon Anderson (Region 3), Bishop Mike Girlinghouse (Region 4), Bishop Jim Arends (Region 5), Bishop Craig Satterlee (Region 6), Bishop Sam Zeiser (Region 7), Bishop Kurt Kusserow (Region 8), Bishop Robert Schaeffer (Region 9), Ms. Andrea Young (Associate Director of Assignment) and Bishop Patricia Lull, chair.



## **Report of the Executive for Administration**

### Strategic Planning

#### Churchwide Organization 2014-16 Operational Plan Goals:

##### *We are Church*

1. Congregations are growing, vibrant in their worship life and diverse, and worshippers increase their engagement in and support for God's mission, locally and globally.

##### *We are Church Together*

2. Members of this church are better connected with who we are as church, and relationships across this church's wider ecology are deepened and strengthened for evangelical witness and service in the world.

##### *We are Church for the Sake of the World*

3. Impoverished and vulnerable people, locally and globally, achieve sufficient, sustainable lives and are accompanied in addressing the challenges of poverty, injustice and emergencies in their communities.

##### *We are Lutheran*

4. Lay and rostered leaders are grounded in Lutheran theology and competent to serve the church we are becoming, and the leadership profile reflects this church's aspiration for cultural, generational and socio-economic diversity.

##### *We are Church Together*

5. Leaders across this church are working together on strategies to address future sustainability of the ELCA, and the churchwide organization has a growing and sustainable base for mission.

##### *We are Church. We are Lutheran. We are Church Together. We are Church for the Sake of the World.*

6. The churchwide organization is effective in fulfilling its roles and functions on behalf of the ELCA and further develops an organization culture characterized by strong leadership, accountability, competent and motivated staff, effective systems and learning.

The 2016 ELCA Churchwide Assembly received a triennial report on the 2014-2016 Operational Plan. Churchwide units also provided reports to the assembly. The next phase of planning for the churchwide organization awaits the action of this Church Council meeting on the Future Directions Statement. The Theological Education Advisory Committee's work also has implications for churchwide organization planning. As the churchwide organization moves into 2017, we will continue our work based on the existing six goals of the current operational plan.

### **Called Forward Together in Christ**

The Office of the Presiding Bishop has led a process set forth by the Church Council to bring a Future Directions Statement to this November meeting. We engaged a consultant, Lyla Rogan, to facilitate this process. The Future Directions Table, appointed by the Church Council has overseen this process. The process has sought to involve the entire church. We have received input and feedback from networks, synod assemblies, churchwide staff, lay and rostered leaders, voting members for the Churchwide Assembly, participants at the Grace Gathering, and our ecumenical and interfaith partners.

The 2017-2019 Churchwide Operational Plan will be built on the directions set forth in the Future Directions Statement. We understand that the action of this November Church Council meeting will mark the beginning of work that will require a process and plan for implementation.

### **Theological Education Advisory Committee**

Your churchwide staff have been working with the Theological Education Advisory Committee to implement the recommendations approved by the Church Council for theological education last April. You will receive your first report from the committee at this November meeting.

There are two Church Council members on the committee; namely, John Lohrmann, chair, and Christine Connell. The other members of the committee are: Bishop Jessica Crist, The Rev. James Nieman, PhD, The Rev. Doug Liston, Mr. Randall Foster, The Rev. Leila Ortiz, Mr. Paul Pribbenow, PhD, and Ms. Diane Roznowski. Baker Tilly Virchow Krause, LLP is providing consulting services for the committee. This is the same consultant that worked with the Theological Education Advisory Council to produce the original report and recommendations.

### **Budget**

The 2016 ELCA Churchwide Assembly approved the 2017-2019 churchwide organization triennial income and the 2017 expense budget proposals as presented. The 2017 expense proposal did not contain provisions for compensation increases. After review of income and expense projections post-churchwide assembly, the Office of the Presiding Bishop is presenting a revised 2017 Expenditure Authorization. This revision includes a revised mission support estimate and other minor adjustments to income and expenses. It also includes a two-percent compensation increase. See the Report of the Treasurer for more information.

### **Personnel**

The Human Resources web site can be found at [www.elca.org/humanresources](http://www.elca.org/humanresources); information regarding positions in Global Mission can be found at [www.elca.org/globalserve](http://www.elca.org/globalserve).

### **Staff Demographics**

The total churchwide organization employees as of October, 2016, were 379. The distribution of the staff was 58 percent female, 42 percent male; 34 percent persons of color; 27 percent clergy and 2 percent rostered lay. Sixty-six percent of the staff is Chicago-based; thirty-four percent are deployed. There are 289 regular full-time positions, 11 regular part time and 79 term contracts. (The term contract number includes staff for the next ELCA Youth Gathering.) In addition, there are 223 missionaries in 49 countries.

The separately incorporated ministries under the umbrella of the Churchwide Organization personnel policies are: Mission Investment Fund, Women of the ELCA and Lutheran Men in Mission. Their staffing demographics in October were:

Mission Investment Fund (MIF): 66 percent female, 34 percent male, 64 percent white, 36 percent persons of color, 10 percent clergy, and 80 percent Chicago-based. On October 7, 2016, there were 50 employees in the MIF.

Women of the ELCA (WELCA): 100 percent female; 38 percent white, 62 percent persons of color, 8 percent rostered lay, 100 percent Chicago-based. On October 7, 2016, there were 13 employees in WELCA.

Lutheran Men in Mission has three employees – 2 white, 1 person of color; 1 rostered lay, 2 lay; 2 Chicago-based, 1 deployed.

### **Research and Evaluation**

*Growth in Worship Attendance and Congregations in the Evangelical Lutheran Church in America* is a paper based on the 2015 National Survey of Congregations. (Exhibit A) It includes comparisons with

congregations in the Lutheran Church-Missouri Synod, the Seventh-day Adventist Church, the United Church of Christ, the United Methodist Church, and the Unitarian Universalist Association. The data was collected as part of FACT or Faith Communities Today. Begun in 2000 through the collaborative efforts of researchers from different faith communities, the 2015 National Survey of Congregations randomly selected congregations from the participating faith groups. The *FACT Survey* is completed by a key informant, typically a pastor. The questionnaire used for 2015 focused on worship, congregational programs, congregational mission and identity, participation, young adults, leadership, vitality and change, technology, finances and history. This report focuses primarily on the characteristics of ELCA congregations and how they compare with the congregations from the other denominations and their impact on change in worship attendance between 2009 and 2014.

*Proposal for ELCA Financial Wellness Campaign and Resourceful Servants Savings Matching Programs* (Exhibit B) is a project of the Lilly Endowment grant received by the churchwide organization in 2016. The Planning and Evaluation Committee will review procedures for the administration of the grant including our work on emergency savings, pension contributions, and financial management in congregations. Information regarding emergency and retirement savings is included in Exhibit B.

### **General Administration**

Your churchwide organization continues business continuity planning as part of its risk management operations. This December there will be a training related to responding to violence. Lionheart International Services Group will facilitate the sessions.

Bexley Seabury Seminary moved out of the Lutheran Center sixth floor in June. Community Alternatives Unlimited returned some of its space on the first floor. We are planning to use the returned first floor space as a collaborative meeting area.

Growth in Worship Attendance and Congregations in the Evangelical Lutheran Church in America:  
A paper based on the 2015 National Survey of Congregations

Including comparisons with congregations in the Lutheran Church-Missouri Synod, the Seventh-day Adventist Church, the United Church of Christ, the United Methodist Church, and the Unitarian Universalist Association

Kenneth W. Inskip and Daniel Taylor  
Office of the Presiding Bishop  
Evangelical Lutheran Church in America  
Summer 2016

## Introduction

The data used for this report was gathered as part of FACT or Faith Communities Today.<sup>1</sup> Begun in 2000 through the collaborative efforts of researchers from different faith communities, the 2015 National Survey of Congregations randomly selected congregations from the participating faith groups.<sup>2</sup>

In this report we focus on the Evangelical Lutheran Church in America (ELCA) (N=573) and five other groups including the Lutheran Church-Missouri Synod (LCMS) (N=275), the United Church of Christ (UCC) (N=909), the Seventh-day Adventist Church (SDA) (N=311), the United Methodist Church (UMC) (N=833) and the Unitarian Universalist Association (UUA) (N=546). In some cases, the sample sizes are small, but we do not believe they have biased our results. The UCC and the UMC are “full communion” partners of the ELCA, but each of these churches represent a different theological tradition and polity. The LCMS, like the ELCA, is based in the confessional writings of the Lutheran Reformation, but the two churches have gone their separate ways. For example, the ELCA ordains women and gay/lesbian persons in committed relationships while the LCMS does not. The SDA represents a distinct form of American conservative evangelicalism, while the UUA characterizes itself as “a liberal religion born of the Jewish and Christian traditions.”<sup>3</sup>

The *FACT Survey* was designed to be completed by a key informant, typically a pastor. The questionnaire focused on worship, congregational programs, congregational mission and identity, participation, young adults, leadership, vitality and change, technology, finances and history. The questionnaire was created cooperatively.

For this report we focus primarily on the characteristics of the congregations and their impact on change in worship attendance between 2009 and 2014.

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<sup>1</sup> See <http://fact.hartsem.edu> for more information

<sup>2</sup> The project principal is David Roozen of Hartford Seminary, Hartford, Connecticut.

<sup>3</sup> Each group posts considerable information about their basic beliefs on their websites. See the following for more information: [www.elca.org](http://www.elca.org); [www.lcms.org](http://www.lcms.org); [www.ucc.org](http://www.ucc.org); [www.umc.org](http://www.umc.org), [www.uua.org](http://www.uua.org) and [www.adventist.org](http://www.adventist.org). We deeply appreciate the willingness of these groups to share data. We also take full responsibility for any mistakes either in analysis or in characterizing their faith and beliefs.

## Worship

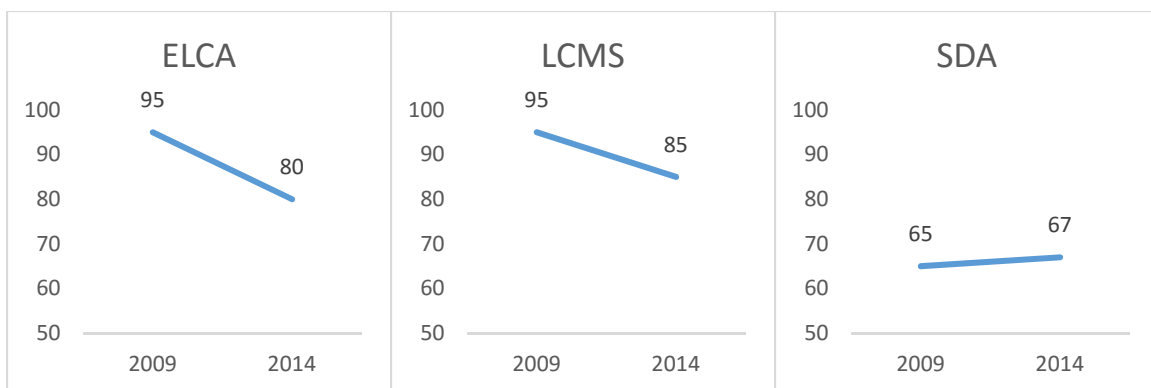
The overall percent change in worship attendance for the participating congregations between 2009 and 2014 are as follows:

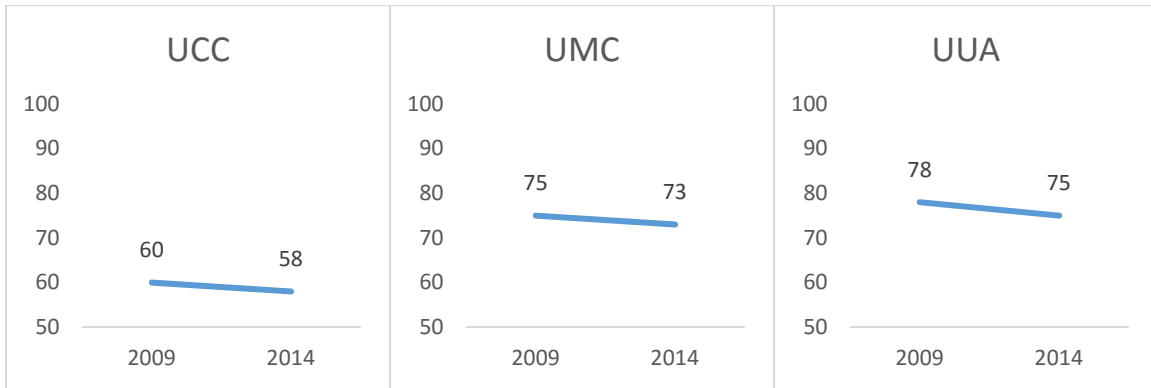
	Percent Change in Worship Attendance from 2009 to 2014
SDA	9.8%
UMC	-3.7%
UUA	-4.1%
LCMS	-4.2%
UCC	-5.3%
ELCA	-10.9%

We do not know if these rates are characteristic of these faith groups as a whole. For the ELCA, the decline in worship attendance over the same period, based on the annual reports of congregations, was double the rate reported by the ELCA congregations that completed the *FACT Survey*.

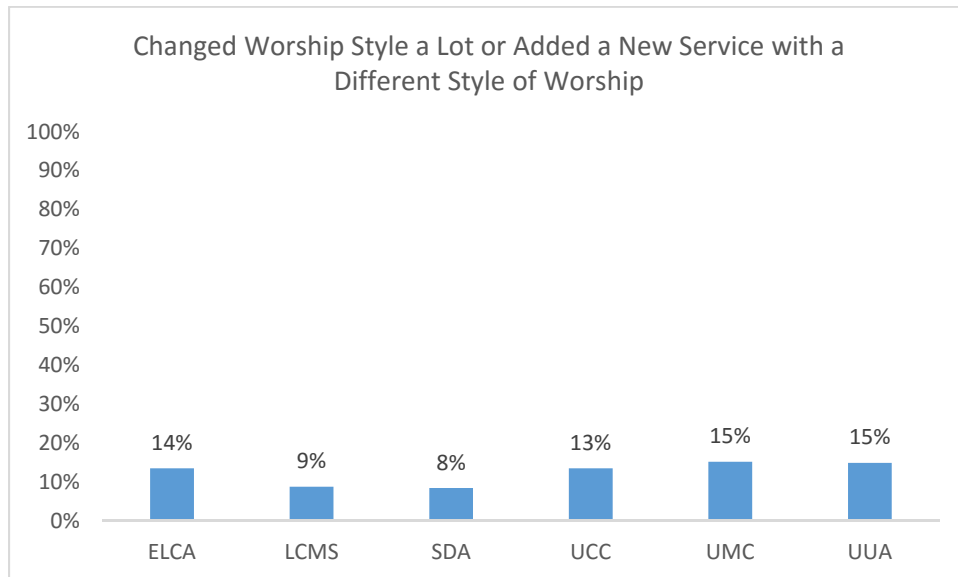
In 2009, the ELCA Churchwide Assembly voted to allow gay and lesbian persons in committed relationships to be ordained as pastors. As a result of this decision, 675 congregations, or about seven percent of ELCA congregations, voted to leave the denomination. The loss of worship attendees from these congregations reduced worship attendance in the ELCA by just over eight percent. The ELCA congregations completing the *FACT Survey* chose to remain in the denomination, but nine percent of these congregations indicated they had seriously considered leaving. Their decision to stay likely influenced some of their members to leave. In addition to the regular, long-term decline in worship attendance in the ELCA (and its predecessor bodies), this decision by the Churchwide Assembly accelerated the rate of decline. From 2009 to 2014, among the ELCA congregations in the *FACT* sample, the rate was twice that of any of the other five faith groups.

Between 2009 and 2014, the **median** worship attendance in participating ELCA congregations fell by 15 worship attendees while in the LCMS it dropped by 10. UMC and UCC congregations dropped by two worship attendees; the UUA dropped by three; while the SDA congregations gained two. By 2014, at least half of the congregations in these faith groups were worshipping less than 85 in their regular weekend worship services. The following figures show the change in **median** worship attendance between 2009 and 2014.

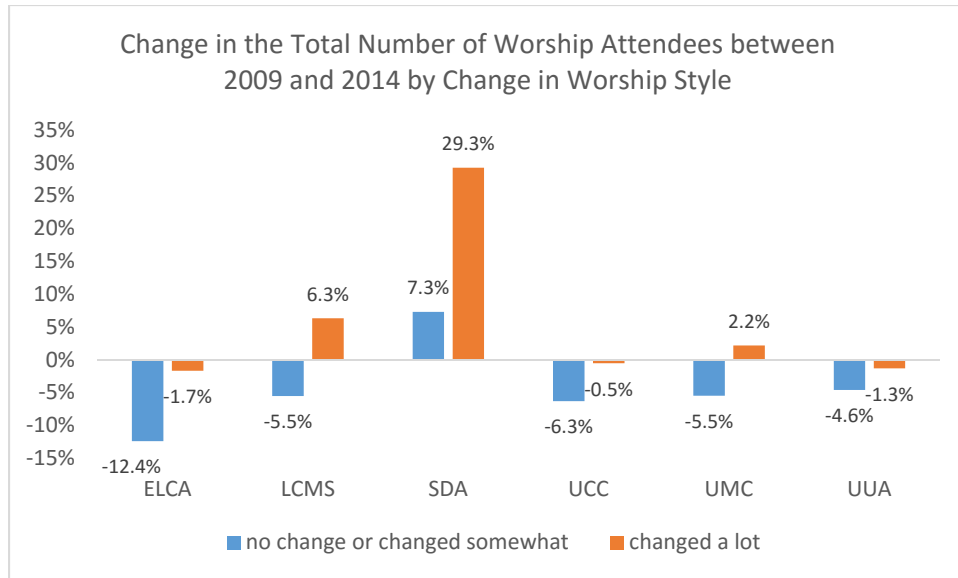




The decline in worship attendance may have prompted some of these congregations to try something new. The percent of congregations in the ELCA (14%), the UCC (13%), the UMC (15%) and the UUA (15%) that have changed the style of a weekend worship service a lot, or added a service with a different style within the past five years, is remarkably similar.

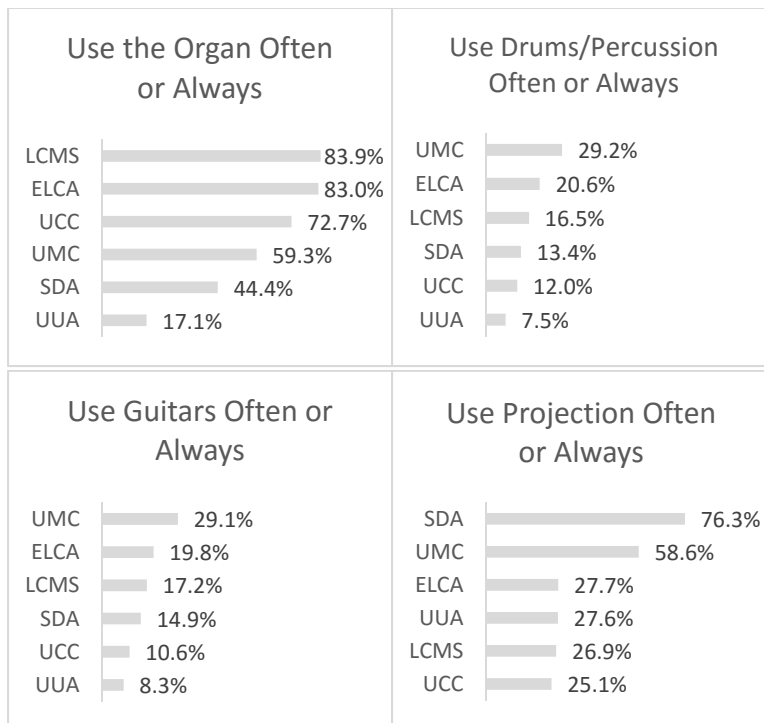


Changing the style of worship, or adding a new service with a different style, was related to a change in worship attendance. In the ELCA, the UCC and the UUA, the change correlated with fewer losses. In the LCMS, where the fewest congregations made a significant change, those that did experienced an increase in worship attendance. There was also an increase in the UMC. Among the SDA congregations, those that changed experienced a higher rate of growth than those that did not.

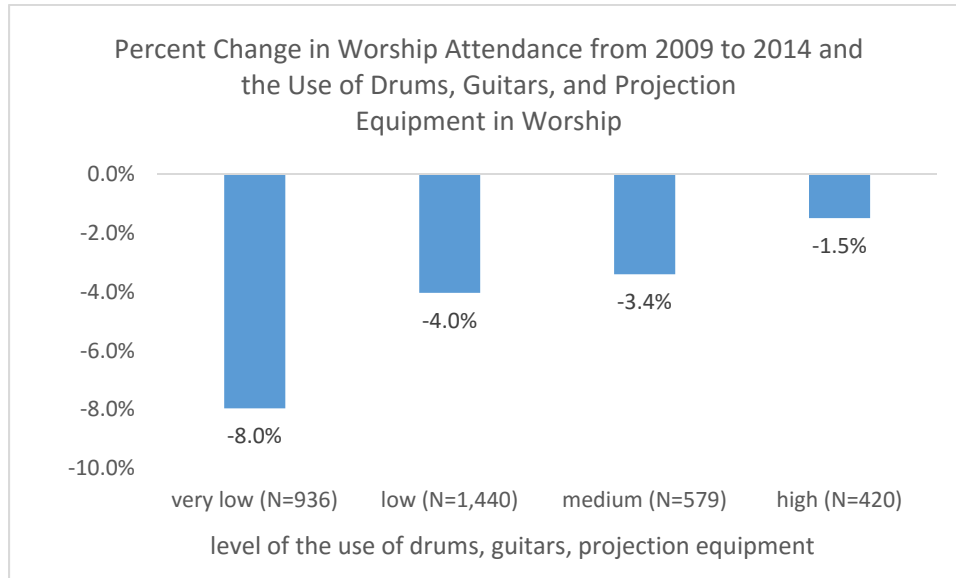


### Contemporary Services

The informants were asked to share how frequently their congregations' regular weekend service(s) had organs, drums, guitars or visual projection. The use of an organ is traditional in Lutheran congregations, and both the LCMS and ELCA congregations were most likely to use an organ. A minority of congregations use drums or other percussive instruments or guitars. Visual projection equipment was most frequently used in SDA and UMC congregations.



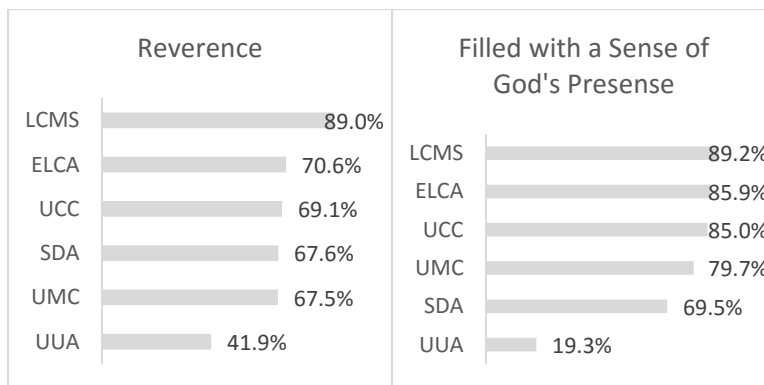
We created an index that scores the level of the use of drums and other percussive instruments, guitars and visual projection equipment. We do not know when these practices were adopted by a congregation, which confounds the analysis somewhat. We do know that the congregations using more contemporary worship practices at the time they completed the *FACT Survey* were more likely to minimize losses rather than produce gains.



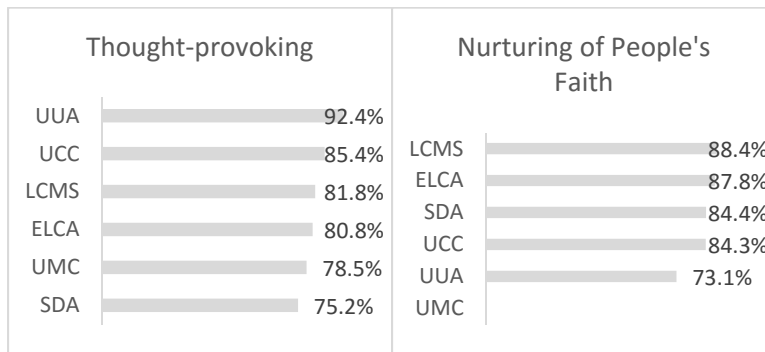
### Other Characteristics of the Worship Service

The respondents were asked to describe the congregation's largest regular weekend worship service using a scale to indicate how well a particular characteristic described that service. The figures below show the percent that indicated the characteristic described the service quite well or very well.

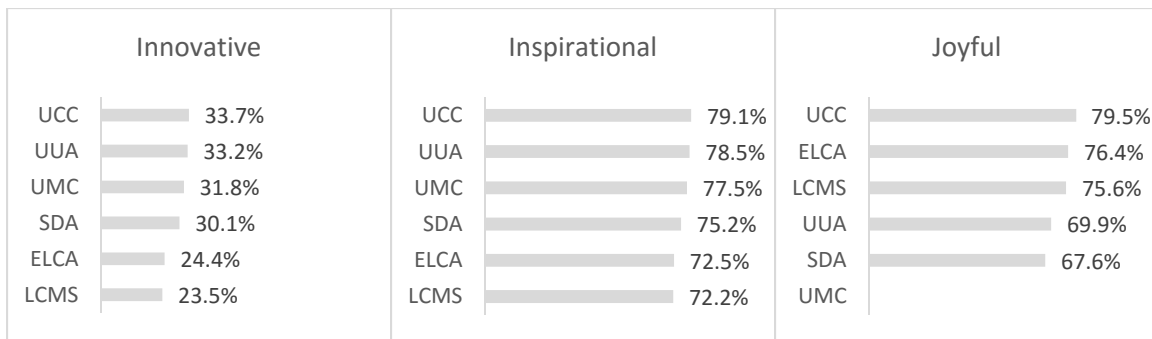
There are differences. LCMS congregations claim the most reverence while UUA communities claim the least. The other faith groups are bunched between. The LCMS congregations are also most likely to claim a sense of God's presence with the UUA communities least likely to do so. On the other hand, the UUA communities claim to have the most thought-provoking services. With regard to nurturing faith, four (LCMS, ELCA, SDA, UCC) of the five faith groups (data was not available from the UMC) are bunched closely together with 84 to 88 percent claiming they do so.





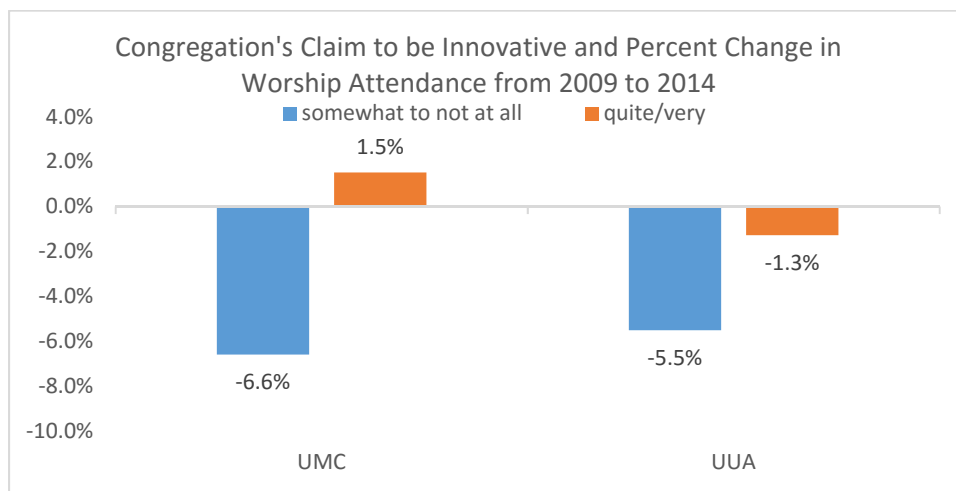


About a third of these congregations claim to be innovative, with congregations in the UCC and the UUA communities most likely to be so, and congregations in the ELCA and LCMS least likely to be so.



As for being inspirational, about three-fourths of all these congregations claim to be so. The UCC congregations (80%) are also most likely to claim being joyful, followed by the ELCA and LCMS congregations (data was not available for the UMC congregations).

These differences are not related to growth in worship attendance. The one exception was innovation. In the case of the UMC, being innovative was related to modest growth while in the case of the UUA innovation mitigated loss.

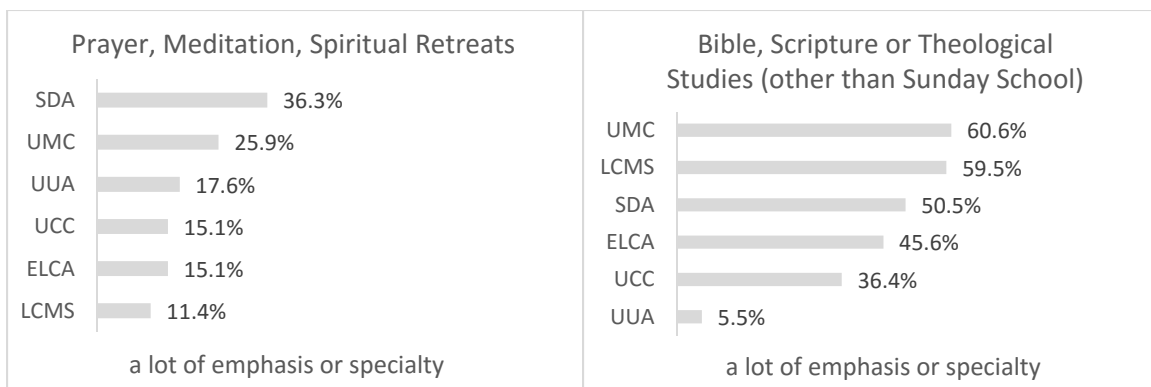


## Programs

Vital congregations tend to emphasize three relationships: members and their relationship to God, members and their relationship to each other, and members and their relationship to the world. Worship is central to the relationship with God, and many congregations also give considerable attention to prayer and the study of Scripture. Relationships with one another are also built through worship, but times of education and fellowship including programs for youth and young adults are also important. Relationships with the world are often strengthened through community service activities.

In many ELCA congregations, the principal contact between a member and the congregation is worship. The Eucharist and the preaching of the Word are central. Many members are less frequently engaged in other programmatic activities of the congregation.

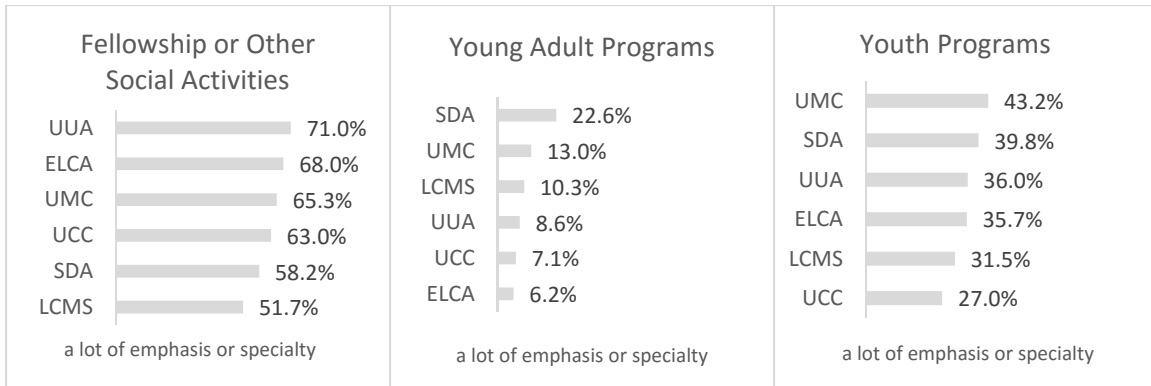
Only congregations in the SDA, and to a lesser extent the congregations in the UMC give prayer, meditation or spiritual retreats a lot of emphasis or consider them to be a specialty. One of the three categories of the *General Rules* of the UMC reads “practice ‘the ordinances of God,’ or engage in individual and communal spiritual practices such as prayer, Bible reading, worship and the Lord’s Supper.”<sup>4</sup> There is also more emphasis among the congregations in the UMC and the LCMS on Bible or theological studies. Again, Bible reading is an important theological practice in the UMC and according to the LCMS “Scriptures are the final standard by which we must judge everything that we believe, teach and confess.”<sup>5</sup>



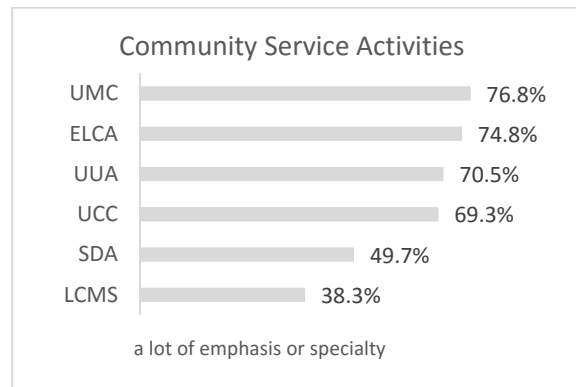
Relationships with one another or fellowship or other social activities receive considerable emphasis in the congregations of the UUA. About two-thirds of ELCA, UMC and UCC congregations also indicated they place a lot of emphasis on fellowship or other social activities while about a third or less place emphasis on youth programs. About a fifth of the SDA congregations indicated they emphasize young adult programs while the percentage drops to 10 percent or below for the ELCA, LCMS, UUA and UCC.

<sup>4</sup> <http://www.umc.org/what-we-believe/foundational-documents>

<sup>5</sup> <http://www.lcms.org/document.fdoc?src=lcm&id=1098>



Congregational relationships with the world are often in the form of community service activities. About three-fourths of UMC and ELCA congregations indicated that community service activities receive a lot of emphasis.



Among these emphases, attention to programs for young adults was correlated with growth in worship attendance but only for UMC congregations and UUA communities. The 13 percent of UMC congregations claiming a lot of emphasis on young adult activities grew by eight percent between 2009 and 2014. The nine percent of UUA communities that place a lot of emphasis on young adult programs also grew by three percent. For ELCA congregations, six percent claimed an emphasis on young adult programs and these congregations declined by about one percent in worship attendance (which is considerably less than the decline rate for ELCA congregations that did not place a high emphasis on young adult ministries).

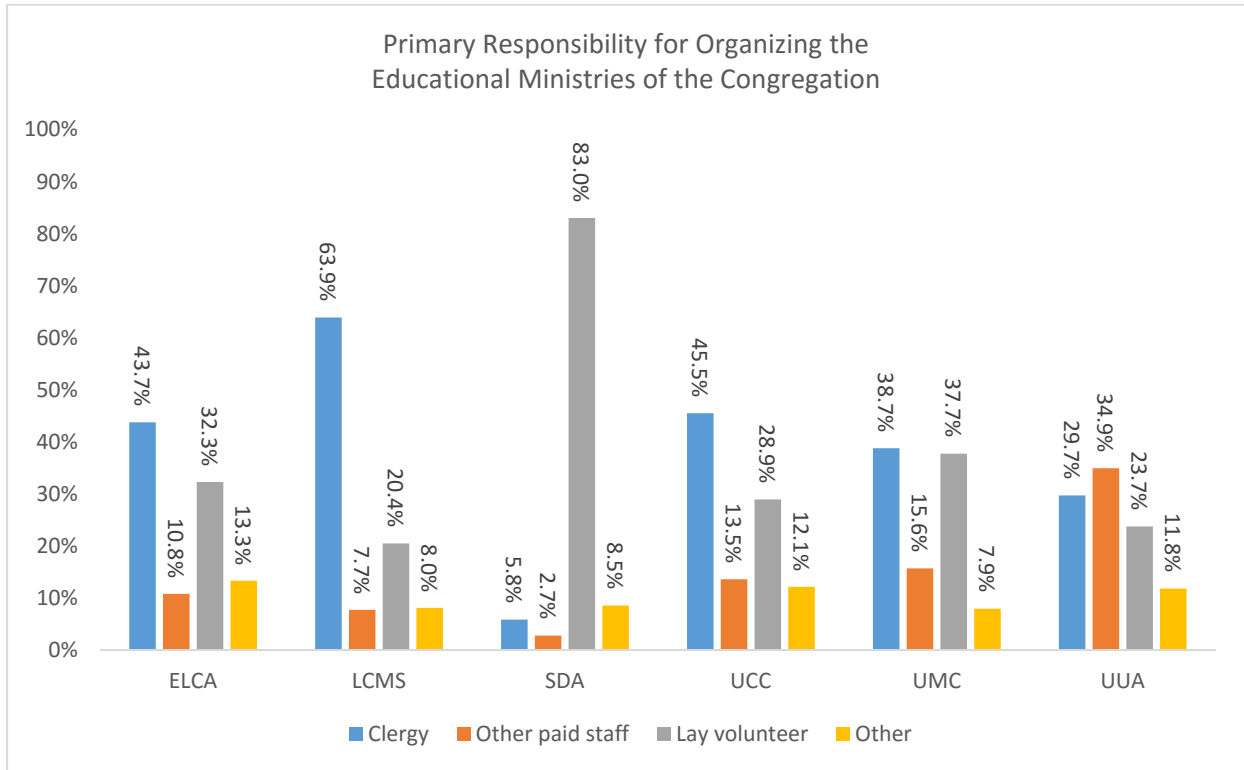
The 26 percent of UMC congregations that emphasized prayer or meditation groups or spiritual retreats also experienced a growth in worship attendance of three percent between 2009 and 2014.

## Religious Education

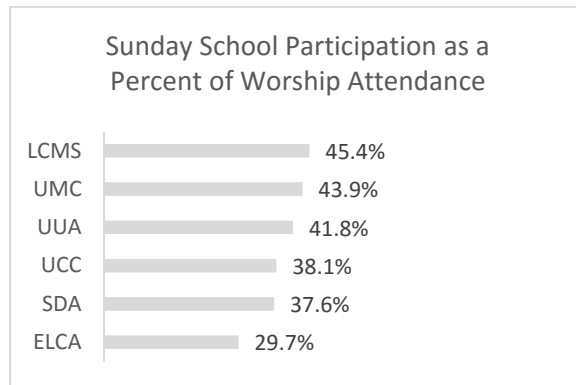
The individual responsible for organizing the educational ministry for the congregation or community varies by faith group. Most often it is the pastor who takes the primary responsibility, followed by a lay volunteer.<sup>6</sup> In LCMS congregations, the pastor is considerably more likely to bear primary responsibility

<sup>6</sup> A significant number of respondents chose the “other” category. They were asked to specify. Most often they indicated that a committee or small group of individuals held the primary responsibility for organizing the educational ministries of the congregation.

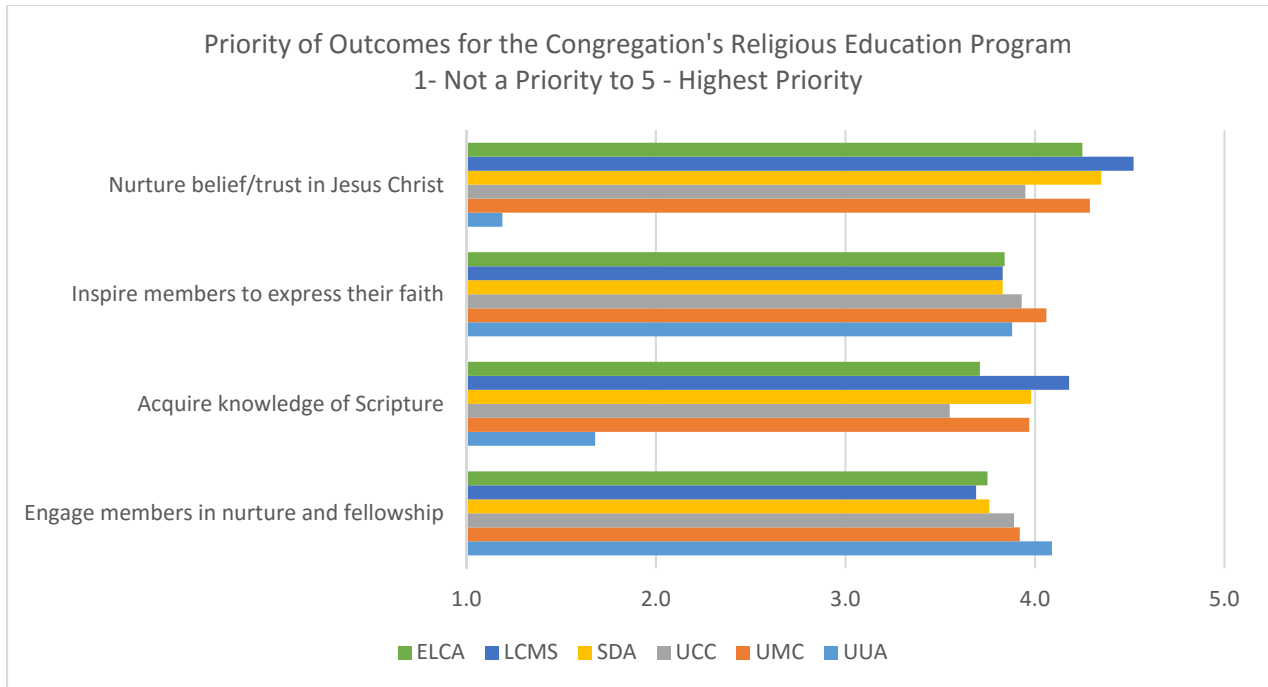
than in the other faith groups, while in UUA communities it is most likely another paid staff person. In the SDA congregations, the primary responsibility is much more likely to fall to a lay volunteer.



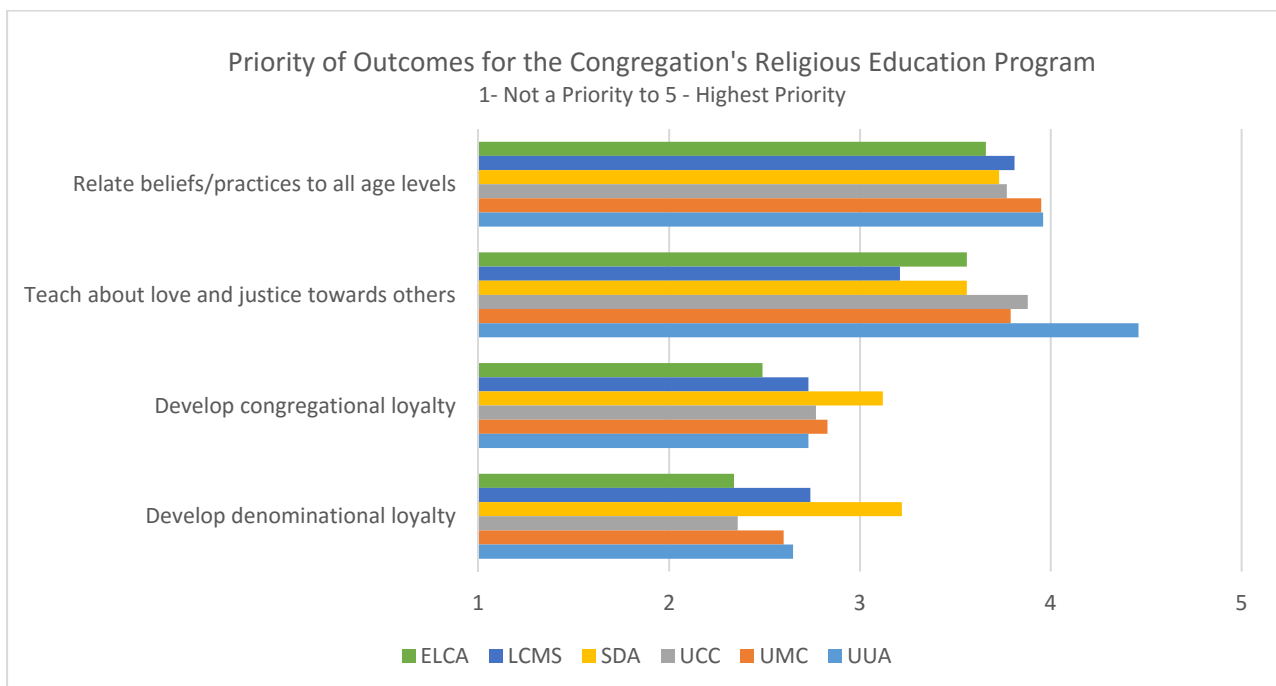
The respondents were asked how many persons (including children) regularly participate in a Sunday school religious education program/classes. Sunday school participation, as a percent of worship attendance, is the lowest among ELCA congregations and highest for LCMS congregations. All the faith groups, with the exception of the ELCA, are between 35 and 45 percent.



The next two figures present eight different outcomes for the congregation’s religious education program. The outcome given the highest priority in five of six of these faith groups is to nurture belief and trust in Jesus Christ. The UUA communities are the exception. Because they include persons of different religious traditions (or no religious tradition), nurturing belief and trust in Jesus Christ (as the central religious figure) is not one of their highest priorities. On the other hand, the highest priority for the UUA communities is to teach about love and justice.

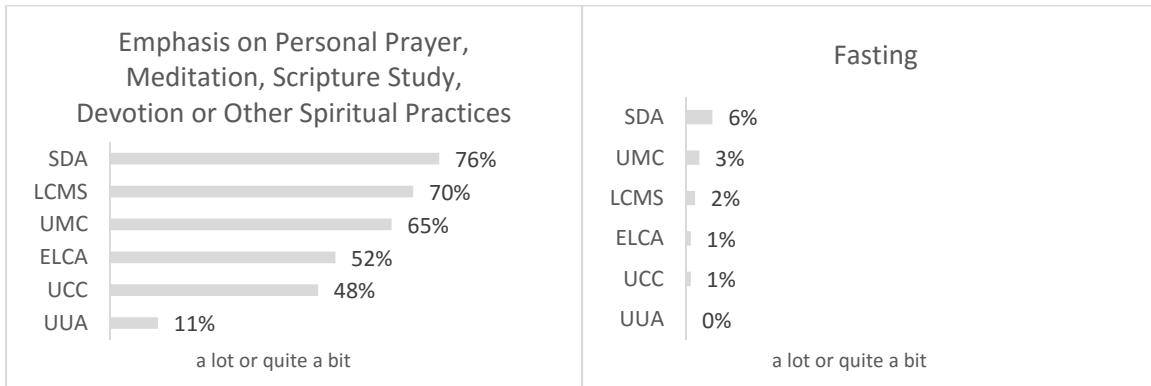


The UMC congregations are somewhat more likely than the others to give priority to members expressing their faith while the LCMS congregations place high priority on acquiring knowledge of Scripture. The UUA communities place a high priority on member nurture and fellowship.

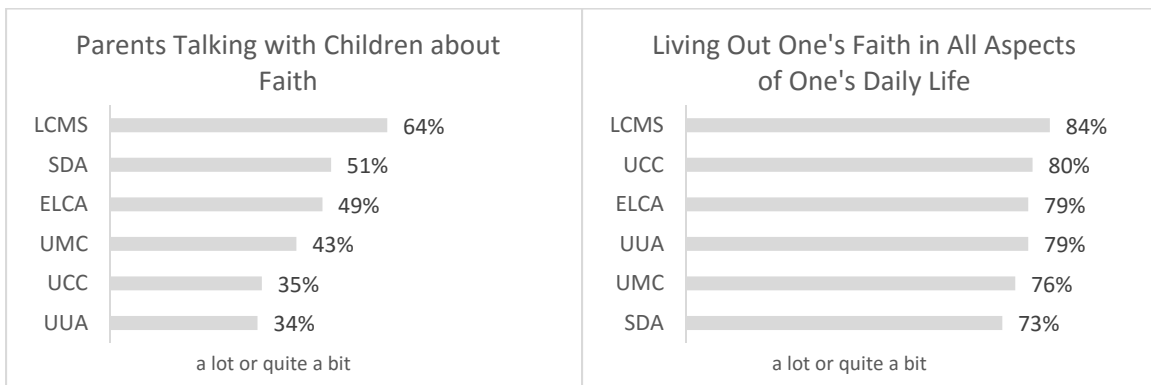
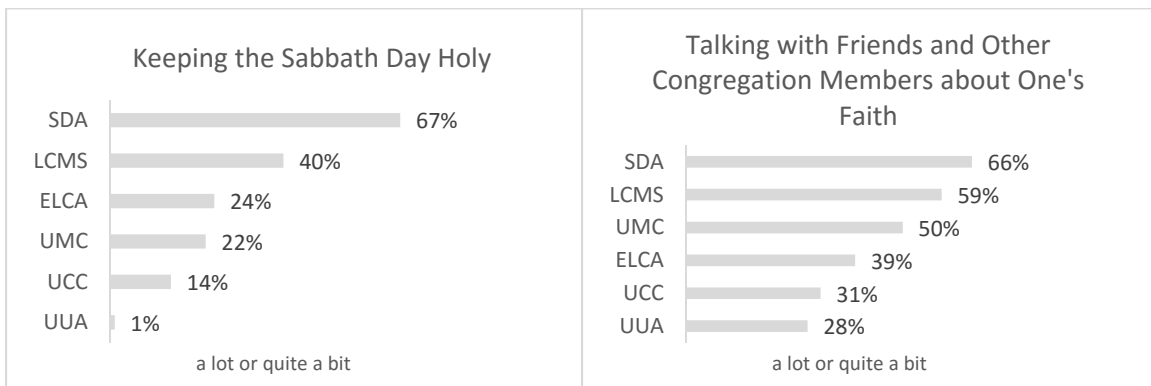


Congregations in the SDA give priority to developing congregational or denominational loyalty, while the ELCA congregations give denominational loyalty the least priority followed closely by the UCC.

Religious education can also focus on the development of personal or family religious practices or disciplines. The congregations were asked about the level of emphasis on developing the following practices.

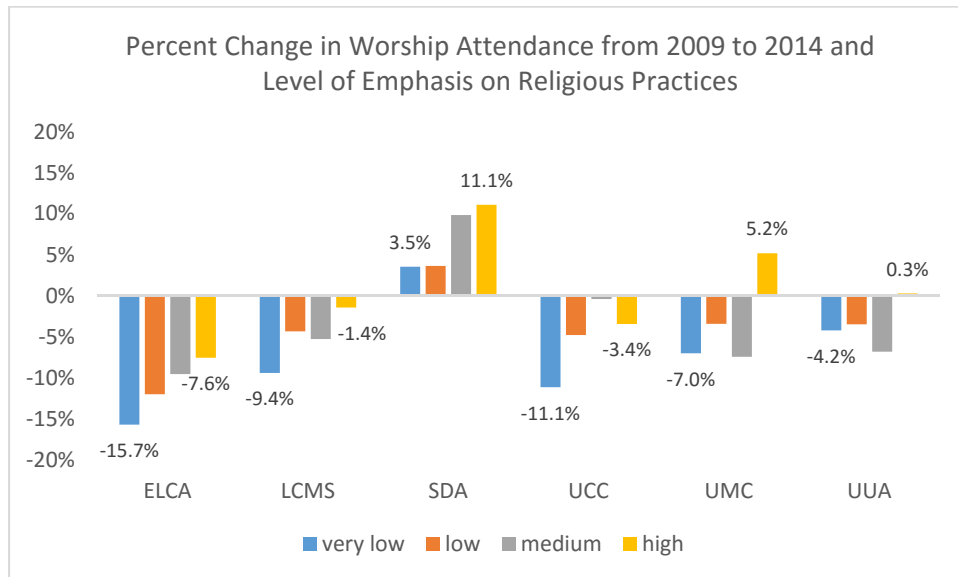


SDA and LCMS congregations are typically more likely to emphasize personal and family religious practices while the UCC congregations and UUA communities are least likely to do so. The ELCA congregations consistently place near the middle of these faith groups.



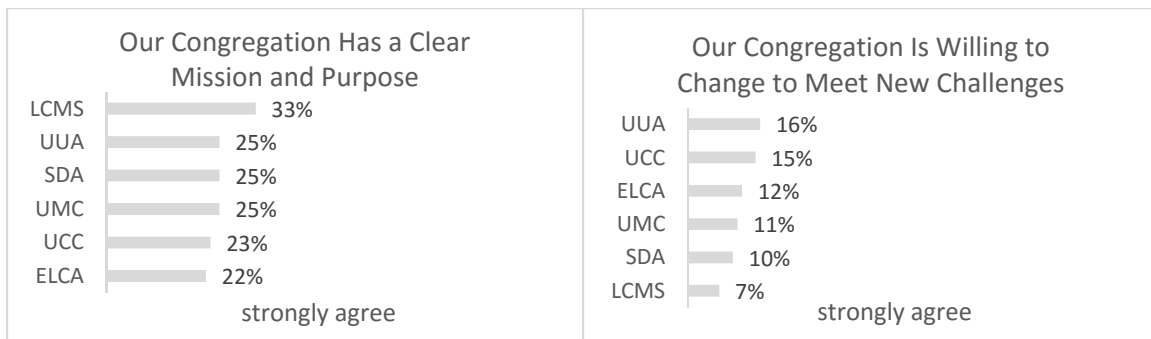
We created a personal/family religious practice index which calculates the average level of emphasis across these six practices. Based on the distribution of scores, we created four categories from very low to high. Nineteen percent of ELCA congregations scored in the high category compared to 36 percent of LCMS congregations and 50 percent of SDA congregations. A strong emphasis on religious practices is

correlated with an increase in worship attendance for the SDA, UMC and, to a much lesser extent, the UUA) or a moderating in the decline in worship attendance (for the ELCA, the LCMS and the UCC).



## Intentionality

As the social context changes, congregations benefit from being more intentional. Intentionality means being clear about mission and purpose. It means identifying and examining existing patterns in light of the congregation’s mission and purpose, and it means being willing to change for the sake of achieving those purposes. Intentionality also means providing a strong foundation of spiritual vitality which provides the basis or the desire for change. Finally, intentionality means communicating effectively using the Internet and other social media tools. The survey included questions about each of the activities.<sup>7</sup>



The ELCA has taken steps to promote mission planning, and on this survey 22 percent of ELCA congregations strongly agreed with the statement, “Our congregation has a clear mission and purpose.”

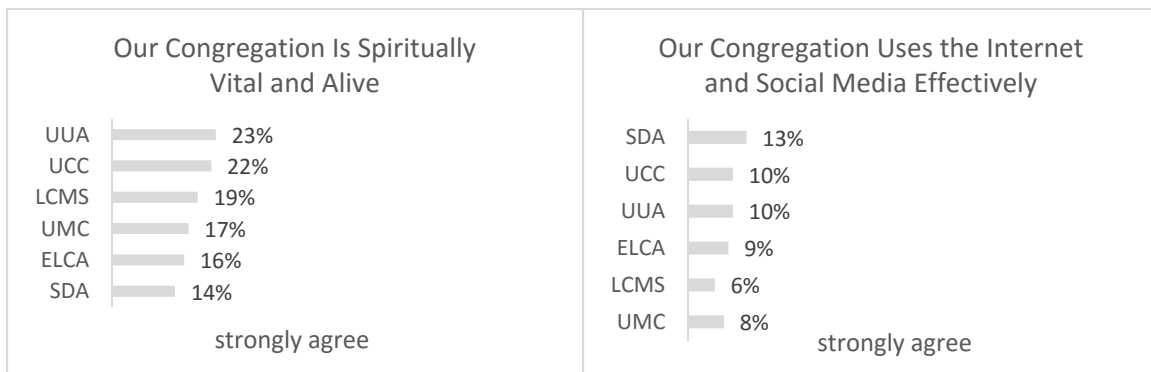
<sup>7</sup> The scale used for these items was a five-point scale: strongly disagree, disagree, neutral/unsure, agree, strongly agree. The responses were heavily weighted toward the “agree” response. It seemed reasonable to use only the “strongly agree” response as evidence that the item was truly a definitive characteristic of the congregation.

This is a lower percentage of congregations than in any of the other faith groups. A third of LCMS congregations strongly agreed with the statement, “Our congregation has a clear mission and purpose.”

The prevalent assumption in the ELCA<sup>8</sup> is that a clear sense of mission will produce congregations more willing to change to meet new challenges. Based on this data, there is a statistically significant and positive relationship between mission and change. In the LCMS, however, a somewhat different logic appears to be at work. A third of LCMS congregations strongly agreed with the statement, “Our congregation has a clear mission and purpose,” but only seven percent of LCMS congregations (the fewest among these faith groups) strongly agreed with the statement, “Our congregation is willing to change to meet new challenges.” In the case of the LCMS congregations, a clear sense of mission and purpose perhaps produces a stronger commitment to resist change, especially changes perceived as counter to the values of the church.

Previous studies in the ELCA have shown that a clear sense of mission and a willingness to change to meet new challenges are correlated with growth in worship attendance, and the six percent of the ELCA congregations that strongly agreed with both statements grew by six percent between 2009 and 2014.

Less than a quarter of the congregations in these six faith groups strongly agreed with the statement, “Our congregation is spiritually vital and alive.”



Finally, only about 10 percent of the congregations strongly agreed that their congregation effectively uses the internet and social media.

<sup>8</sup> See, for example, the recommendations of the Living into the Future Task Force (LIFT), ELCA Church Council Report, Exhibit I, Part 1, pgs. 9-10, April 2011.

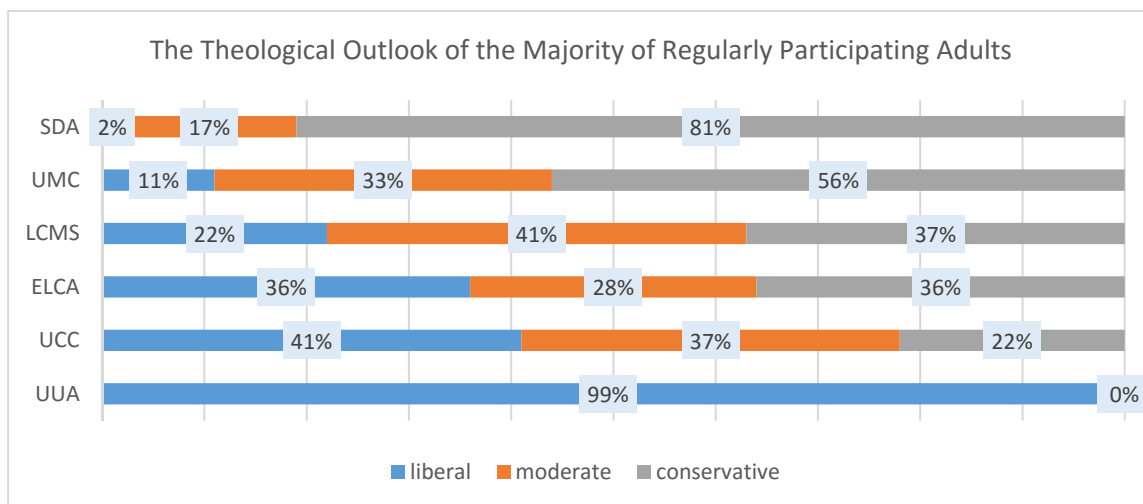


## Strictness

In the early literature on membership decline in mainline<sup>9</sup> churches, a prominent claim was that these churches had become weak—no longer making, or able to make, demands upon their members.<sup>10</sup> The premise held that modern biblical interpretation had undermined the main source of power which was derived from a literal interpretation of Scripture. In contrast, in more conservative traditions, biblical inerrancy became the defining doctrine. Heaven and hell were literal places and obtaining salvation, or the fear of not obtaining it, motivated members to pursue good, even holy lives, (including witnessing to others about the dire consequences of sin and unbelief). For the conservatives, church growth was the way Christians most fully honored and took seriously the last words of Jesus (Matt. 28:18-20).

### Conservative and Liberal in Faith Groups

The respondents to the *FACT Survey* were asked, “How would you describe the theological outlook of the majority of your regularly participating adults?” Based on the strictness hypothesis, we would expect congregations with a majority of theologically conservative participating adults to be growing. It is immediately apparent, however, that in at least three of these faith groups (LCMS, ELCA and the UCC), there is a complex mix—congregations with a conservative majority, congregations with a moderate majority, and congregations with a liberal majority.



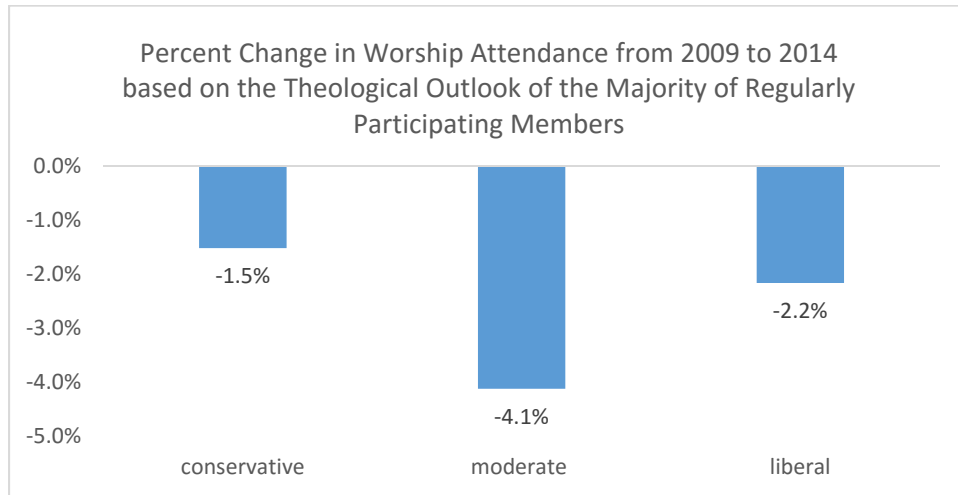
We know that the SDA, which has the highest number of congregations with a majority of conservative participants, is growing at the highest rate. On the other hand, we know the ELCA has experienced the greatest rate of decline, but what defines the ELCA is a complex mix of liberal, moderate and conservative congregations. This mix potentially opens wide the door for controversy as congregations with a majority of conservative participants and congregations with a majority of liberal participants vie

<sup>9</sup> The word mainline typically refers to (though not exclusively) the United Methodist Church, the Evangelical Lutheran Church in America, the Presbyterian Church (U.S.A.), the Episcopal Church, the American Baptist Churches, the United Church of Christ and the Disciples of Christ.

<sup>10</sup> Kelley, Dean M. *Why Conservative Churches Are Growing*. San Francisco: Harper and Row. 1972. Since Kelley, the thesis has been debated. To see a short review of this literature and further study see Ferguson, Todd W. “The Optimal Level of Strictness and Congregational Growth,” *Religions* 2014: 5(3) 703-719.

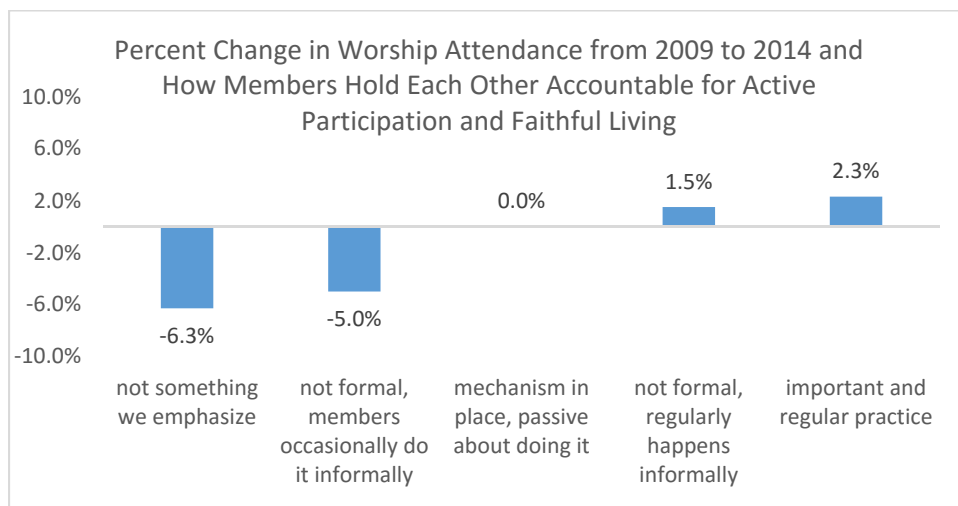
with each other. Perhaps, it is this potential for controversy, and the resulting controversies, that most directly impacts the rate of growth for a faith community as a whole.

If we look at all the congregations together, without regard to a particular faith group, it is the congregations with a majority of moderates that show the greatest rate of decline.



Congregations and Strictness

Perhaps it is fairer to the hypothesis to assess strictness directly. The FACT respondents were asked to describe their congregation’s approach to how members hold each other accountable for “active participation and faithful living.” The response categories ranged from “This is not really something we emphasize,” to “It is an important and regular practice of our congregation.” Congregations where members are held accountable either informally or as a regular practice were more likely to grow.



What about the Lutherans?

When comparing the ELCA and the LCMS, the ELCA has more congregations that indicate they do not emphasize holding members accountable for active participation and faithful living. On the other hand, the LCMS has more congregations that indicate there is a mechanism in place for holding each other

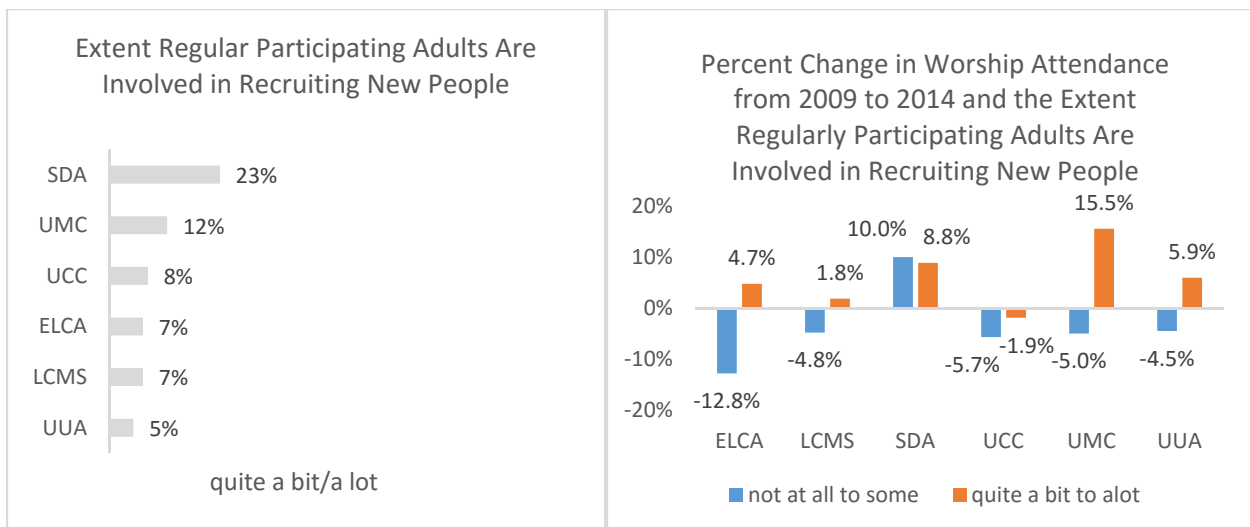
accountable, but they are passive about actually doing so. In both the LCMS and the ELCA, congregations with no emphasis on holding members accountable showed the largest declines in worship attendance between 2009 and 2014, but in the LCMS, congregations that indicated the practice was important and regular, also declined by seven percent. In the ELCA, the of level strictness did not markedly influence change in worship attendance.

Which of the following best describes your congregation's approach to how members hold each other accountable for active participation and faithful living?	LCMS			ELCA		
	Congregations		Worship	Congregations		Worship
	N	%	% Change	N	%	% Change
not something we emphasize	31	11.4	-7.7	102	18.6	-16.9
not formal, members occasionally do it informally	95	35.1	-5.2	203	37.1	-7.9
mechanism in place, passive about doing it	69	25.5	-4.5	67	12.2	-12.5
not formal, regularly happens informally	58	21.4	1.2	149	27.2	-9.9
important and regular practice	18	6.6	-7.0	26	4.8	-11.7
	271	100.0	-4.2	547	100.0	-10.9

## Other Issues

### Recruiting

Just under a quarter of SDA congregations claim their regularly participating adults are actively involved in recruiting new people quite a bit or a lot. For the UMC, it is just over 10 percent and for the UCC, ELCA, LCMS, and the UUA, it is under 10 percent of the congregations. However, the percent involved has no impact on the rate of growth in the SDA, but it does for the other faith groups. In the UCC, more involvement means a slower rate of loss. For the other faith groups, including the ELCA, more involvement means an increase in worship attendance.



## Discussion

Given the decline in worship attendance over the past 40 years, it is reasonable to be concerned. On the *FACT Survey*, about a third of ELCA congregations reported their future is uncertain, and much of

this uncertainty has to do with a decline in membership.<sup>11</sup> In the past, churchwide and synodical emphases on growth have been largely ineffective, and growth is not a high priority for many pastors. A 2015 survey of ELCA pastors showed, when they assess their ministry, they are split (50/50) on the importance of steady growth in membership and/or attendance.<sup>12</sup>

In promoting growth, we are not suggesting ELCA congregations sacrifice their theological commitments or their organizational integrity. In fact, theology, and the integrity of a congregation that cares for it, are the ELCA's most important assets. At the same time, pastors can play a significant role in helping congregations be better prepared to convincingly engage those in the wider culture who consider themselves spiritual people. Lutherans are stewards of a theological heritage that proclaims that God's grace is a gift freely given; this gift sets people free to authentically serve their neighbors and to care deeply about all of God's creation.<sup>13</sup> It is not clear if spiritually oriented people reject these tenets because they find them untenable, or if Lutherans are simply ineffective in articulating them and communicating their appeal. Even among current ELCA lay leaders, teaching Lutheran theology was ranked 14<sup>th</sup> (out of 25 items) in its importance as something members expect their congregation to do.<sup>14</sup> For those in the wider culture who consider themselves spiritual, the test of a congregation is often the "relevance" and "authenticity" of its worship and music, followed by its education programs, its facilities, and the characteristics of its leadership. In nearly every community, there will be several congregations from a variety of faith traditions that can readily compete with the local ELCA congregation on these criteria. The primary distinction will be a theological distinction.

#### *The Seventh-day Adventist Church*

Among the six faith groups reviewed here, only congregations in the SDA are growing as a group, but it is not readily apparent, based on this survey data, why this is the case.<sup>15</sup>

1. Among these faith groups, the SDA is the strictest, though the relatively few SDA congregations reporting that they do **not** emphasize holding members accountable grew at a seven percent rate between 2009 and 2014.
2. Growing congregations in the SDA did **not** report a change in their worship style or that they added a new service; and growing SDA congregations are **no** more likely than those in any of the other six faith groups to claim their worship services are filled with a sense of God's presence, or that they are inspirational, joyful, innovative or thought-provoking.

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<sup>11</sup> On the ELCA 2015 Annual Report of Congregations, in response to the same question, 32 percent of responding congregations indicated their future was uncertain.

<sup>12</sup> On the 45<sup>th</sup> Anniversary of Ordination of Women Survey (2015), pastors were asked "When assessing ministry, how important is seeing steady growth in membership and/or attendance to you, personally?" The scale was one to five from "not important at all" (1) to "very important" (5). Fifty-seven percent of the female respondents selected a three or less on the scale, as did 47 percent of the male respondents.

<sup>13</sup> This freedom comes, at least in part, because there is no vested interest in getting people to "buy" something they do not want to buy or to "do" something they do not want to do. Service is freely given without ulterior motives.

<sup>14</sup> *Future Directions Survey, 2016.*

<sup>15</sup> Growth may also be tied to the birthrate in each of the denominational groups, but the data to test that hypothesis is not available.

3. SDA congregations are among the least likely to strongly agree that their congregations are willing to change to meet new challenges and they rank in the middle of the six faith groups in strongly agreeing that their congregations have mission and purpose.
4. SDA congregations were the least likely to strongly agree or agree that their congregations are spiritually vital and alive.
5. SDA congregations report having a higher percentage of their regularly participating adults involved in recruiting new members quite a bit or a lot, but SDA congregations with some or few of their adults involved are growing at an even higher rate.

### Growing ELCA Congregations

For ELCA congregations, some qualities or aspects of congregational life are more likely to slow the rate of decline rather than produce growth in worship attendance. This was true, for example, for adding a new worship service or for changing the style of a worship service. Variances on most of the other qualities of worship such as being filled with a sense of God's presence, or being inspirational or joyful or thought-provoking had no impact on worship attendance. As for the more general aspects of congregational life, only claiming to be innovative had an impact. It too slowed the rate of decline rather than produced growth.

On the other hand, for ELCA congregations, two areas were positively correlated with an increase in worship attendance between 2009 and 2014.

1. The six percent of the ELCA congregations strongly agreeing that the congregation had a clear sense of mission **and** that the congregation was willing to change to meet new challenges grew by six percent between 2009 and 2014
2. The seven percent of ELCA congregations that claimed the congregation's regularly participating adults were involved quite a bit or a lot in recruiting new people experienced an eight percent increase.

### Theology Again

For the SDA congregations, we suggest that growth has more to do with SDA beliefs than with the style or the market appeal of SDA worship or the other aspects or programs of SDA congregations. The members of the SDA, and certainly the leadership of the SDA, would likely agree that people are free to ignore the claims of the SDA, but there are clear benefits for not doing so.

First, at the end of time, "God will provide an eternal home for the redeemed and a perfect environment for everlasting life, love, joy, and learning in His presence".<sup>16</sup> This perfect environment will include only the redeemed.

Second, in the here and now, "God's law in the Ten Commandments show (sic) us how to live and make clear our need for Jesus. Though the law shows us the path to follow and convicts us of sin, it's about far more than just toeing the line. The commandment's (sic) principles outline a holistic relationship with God, self and others."<sup>17</sup>

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<sup>16</sup> <http://www.adventist.org/en/beliefs/>

<sup>17</sup> <http://www.adventist.org/en/beliefs/living/>

For ELCA members, the rationale for evangelistic activity is less direct or overt.<sup>18</sup> While the Ten Commandments may serve as a guide (e.g., Luther’s treatment of the Commandments in the *Small Catechism*), it is faith (which is a free gift from God) in Jesus alone that reconciles. While Lutherans can do better or worse as they seek to improve their lives and relationships, they are never free of sin. They remain completely dependent on faith, and in this life, all relationships remain approximate, never whole.

As for the end of time, Barbara Rossing, puts it this way: [for Lutherans] “To look for the coming of Christ, and to live in urgency, means to share God’s love for the world. ‘Thy kingdom come, thy will be done, on earth as in heaven’ is what Jesus taught us to pray. It is not a prayer to take us away from earth but rather a prayer that God’s reign will come to earth—and that it will even come through us, as Martin Luther explained in the 16th century”.<sup>19</sup>

The challenge for Lutherans (and perhaps people in general) is that what they hope to create on earth is not what they actually do create, and this is certainly true for the church. One of the basic critiques of religion by those who claim no religious affiliation is that the church is too much about the law—too much about rules. Claims to righteousness, especially by those in the church, have led to a parallel critique by the “nones”—that the church fosters hypocrisy (a view Luther shared)<sup>20</sup>.

#### *ELCA Congregations as Weak Communities*<sup>21</sup>

ELCA Lutherans, along with other mainline churches, with their emphasis on God’s free gifts and their reservations about the power of the law to create wholeness, have been accused of being weak.<sup>22</sup> There is another less pejorative way to understand weakness, however. Being a weak church simply means operating without threat. A weak church refuses to embrace cultural, social, economic, political or even religious power. A weak church has only a weak claim to temporal benefits and no end-time rewards to pass out liberally as incentives. Instead, a weak church embraces its weakness, learning what it can from Jesus.

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<sup>18</sup> On the 2010 *Lift Survey*, 33 percent of lay leaders responded no to the question “In your opinion, is there anything unique about ELCA Lutherans which distinguishes them from other Christians?” Thirty-two percent responded not sure.

<sup>19</sup> <https://www.livinglutheran.org/2013/06/end-times/>

<sup>20</sup> “Be sure, moreover, that you do not make Christ into a Moses...as if the gospel were simply a textbook of teachings or laws.... In short this mode does not make Christians but only hypocrites.” Martin Luther, *A Brief Instruction on What to Look for and Expect in the Gospels* (1521).

<sup>21</sup> I am borrowing liberally and adapting from John Caputo’s *The Weakness of God*, Indiana University Press, 2006.

<sup>22</sup> While this argument was made by Dean Kelley in 1972, as noted earlier, it has become standard fare, though with a variety of new twists. For example, Mark Tooley, president of the Institute on Religion and Democracy said this in 2015: “Most importantly, theological liberalism, which rejected or minimized the supernatural, personal redemption and the afterlife, negating the evangelistic imperative, had nullified the Mainline’s ability to gain new adherents, hence a half century of continuous membership decline, for which there is no end in sight.” Later he continues: “Mainline implosion facilitated the collapse of American moral consensus starting in the 1960s, creating 40 years of culture war and polarization. Evangelicals began to politically organize as the Religious Right in the late 1970s, disturbed over secularization, abortion, radical feminism, pornography, and America’s receding place in the world...”. <https://juicyecumenism.com/2015/02/19/evangelicals-must-resist-mainline-protestant-trajectory/>

Saying this, we are **not** suggesting congregations should be anything but intentional about eliminating the obstacles that stand in the way of full participation in the church (age, gender, race, social class). Faith comes through hearing the Word (preaching). Weakness is also no excuse for not inviting people to the Table, or for maintaining an exclusive club, or for adopting practices that unintentionally (or perhaps even intentionally) keep (or even push) people away. We are also **not** suggesting that congregations should embrace obscurity by cherishing or championing irrelevance. Instead, embracing weakness means clarifying what is really important. When there is no power to compel, what is left? What remains?

What remains is faith in God (love of God). The more people know about God's gifts, the more people will find hope and be drawn to God and God's church. Robert Bellah says this:<sup>23</sup>

*For Jesus...love of neighbor is inextricably linked with love of God. What Jesus calls "the greatest and first commandment" is the love of God, and the second is the love of neighbor (Matt. 22:37-40). And, Jesus drastically extends the notion of neighbor to the stranger and the alien, as in the Parable of the Good Samaritan (Luke 10:25-37), and even to the enemy as in the Sermon on the Mount: "Love your enemies and pray for those who persecute you" (Matt. 5:44).*

Bellah then goes on to quote Conze:

*The Christian doctrine...might perhaps be described as follows: spiritual love for people is entirely dependent on the love for God, and secondary to it. Since we are bidden to love all people equally, we can do so only by loving them in the one respect in which they are equal, and that is their relation to God, whose children they are. The love of God is therefore the necessary antecedent to the love of others....*

For Lutherans, this love of God is possible, not because of human initiative, strength or commitment, but because it has been given (and is re-given daily) as a gift from God. According to Luther:<sup>24</sup>

*The chief article and foundation of the gospel is that before you take Christ as an example, you accept and recognize him as a gift, as a present that God has given you and is your own. This means that when you see or hear of Christ doing or suffering something, you do not doubt that Christ himself, with his deeds and suffering belongs to you. On this you may depend as surely as if you had done it yourself; indeed, as if you were Christ himself.... Now when you have Christ as the foundation and chief blessing of your salvation, then the other part follows: that you take him as your example, giving yourself in service to your neighbor just as you see that Christ has given himself for you.*

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<sup>23</sup> Bellah, Robert N. "Max Weber and World-Denying Love: A Look at the Historical Sociology of Religion." *The Journal of the American Academy of Religion*, June 1999, Vol 67, No. 2, pp. 277-304. See: [http://www.robertbellah.com/articles\\_3.htm](http://www.robertbellah.com/articles_3.htm). The quote from Edward Conze is from his *Buddhist Thought in India*. Ann Arbor: University of Michigan Press, 1967.

<sup>24</sup> Martin Luther, *A Brief Instruction on What to Look for and Expect in the Gospels*, 1521.

Based on this, the “neighbor” question (the question that creates and sustains community) is straightforward. How effectively are we gifting this love to others?<sup>25</sup>

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<sup>25</sup> As if the New Testament is not full enough of stories about how difficult and complex it is to give away love, we are borrowing a bit to illustrate from Nadia Bolz-Weber’s *Pastrix*, Jericho Books, 2014. Bolz-Weber tells this story: “‘How about this,’ I suggested to Rick the first time we met for coffee.... ‘Hang out at House for All Sinners and Saints and just be Rick Strandlof. You’re a mess, so I plan to love you, to try to keep you honest, and to keep an eye on you, but seriously, Rick,’ I warned, ‘you’ve got to take the edge off that crazy. Go get some help.’ He agreed to this. We now call it ‘the Plan.’”



## **Proposal for ELCA Financial Wellness Campaign and Resourceful Servants Savings Matching Programs**

This document details the process for the Resourceful Servants Savings Matching programs, from the distribution of the ELCA Financial Wellness Campaign, through the distribution of the matching funding. A condensed version of the information presented here is included in schematic form in Appendix A.

### *Step 1: Distribution of the Financial Wellness Campaign Email*

In 2017, the Evangelical Lutheran Church in America will distribute a financial wellness email campaign to all active rostered leaders, serving in congregational settings. The campaign will focus on the church's concern for the financial health of pastoral leaders. The proposed content for this email campaign is included in Appendix B.

### *Step 2: Completing the Financial Wellness Assessment*

As part of the campaign, pastoral leaders will be encouraged to complete a financial wellness assessment tool. This assessment tool will help pastoral leaders examine their emergency savings, their retirement savings, their credit and debt, as well as their general financial behavior. The proposed content of this assessment tool is included in Appendix C.

### *Step 3: Providing Financial Wellness Activities, Resources and Recommendations*

Upon completing the Financial Wellness Assessment tool, each leader will be provided with a set of activities, resources, and recommendations geared toward financial wellness. Proposed content to introduce these activities, resources and recommendations is included in Appendix D.

Three of these activities, resources and recommendations will automatically be provided to each leader, regardless of their responses to the assessment:

- A link to the ELCA Federal Credit Union and the recommendation to open a savings account
- The Portico Retirement Readiness tool to further investigate variables around retirement
- Additional activities, resources and recommendations provided by partners across the church

Three additional activities, resources and recommendations will be provided to pastoral leaders, based on their responses to the assessment tool:

- An application for the emergency savings matching program (if respondents indicate they have less than 6 months of emergency savings)
- An application for the retirement savings matching program (if respondents indicate they are contributing less than 15 percent of their income to retirement savings (including congregation and individual contributions))
- Financial counseling for those who don't know their credit score or who have a credit score below 700, and for those providing answers throughout the assessment tool (emergency savings, retirement savings, etc.) which would indicate they might benefit from financial counseling

### *Step 4: Applying for Matching Funds*

Pastoral leaders may be presented with applications for either savings matching program (emergency savings or retirement savings), neither program, or both programs. Applications for both programs will

be completed online. The application for the emergency savings program will be hosted on the Mission Investment Fund website and accessed through a link to that site. Similarly, the application for the retirement savings program will be hosted on the Portico website and accessed through a link to that site<sup>1</sup>. The data from these applications will be collected in databases belonging to the institutions or the churchwide organization. Applications for participation in either program will be due one month following the distribution of the campaign email. The thematic content of the applications is described below, and drafts of the applications are available in Appendix E.

	<b>Emergency Savings</b>	<b>Retirement Savings</b>
Program Description, Eligibility and Potential Benefits	<p>The emergency savings matching program provides qualifying Financial Health Assessment respondents the opportunity to build up their emergency savings reserves. Through this program, qualifying recipients who report having less than 6 months in emergency savings will have their monthly contributions of up to \$50 matched dollar for dollar, when they open an account with the ELCA Federal Credit Union.</p> <p>Matching contributions will be deposited into this account on a quarterly basis.</p>	<p>The retirement savings matching program provides qualifying Financial Health Assessment respondents the opportunity to build up their retirement savings. Through this program, qualifying recipients who report contributing less than 15 percent of their compensation to a retirement account (when combining employer and individual contributions), upon increasing their monthly personal retirement contribution up to \$50 per month, will have the increased contribution matched dollar for dollar.</p> <p>Matching contributions will be sent to pastors' congregations on a quarterly basis and will be included as additional (not substitute) employer contributions. Because of this involvement, the applicant will need the approval of the congregational council in order to apply. They Vice President of the congregation will need to sign and return the Congregational Approval Letter (Appendix F).</p>

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<sup>1</sup> If there are any issues hosting these applications on either site, either or both applications could be hosted through the ELCA website.

	<b>Emergency Savings</b>	<b>Retirement Savings</b>
Requirements for participation	<p>As part of the application process, applicants are informed of the steps they will need to take, if they are conditionally accepted into the program. These include:</p> <ul style="list-style-type: none"> <li>• Open a savings account with the ELCA Federal Credit Union<sup>2</sup></li> <li>• Submit to a credit check through the credit union</li> <li>• Set up automatic withholdings of \$50 per month (or \$25 per pay period if paid bi-monthly) to be deposited into their account with the credit union</li> <li>• Contact Lutheran Social Service-Minnesota to begin a financial counseling relationship. Financial counseling is provided free of charge to rostered leaders through a partnership with Portico.</li> <li>• Returning the following documents to the Resourceful Servants Team:                             <ul style="list-style-type: none"> <li>• Two most-recent pay stubs (to confirm income level)</li> <li>• Signed copy of the conditional acceptance letter. This will function as a release of records, allowing us to verify contributions, so matching funds can be distributed.</li> </ul> </li> </ul>	<p>As part of the application process, applicants are informed of the steps they will need to take, if they are conditionally accepted into the program. These include:</p> <ul style="list-style-type: none"> <li>• Increase his/her individual retirement contribution by up to \$50 per month (or \$25 per pay period if paid bi-monthly)</li> <li>• Contact Lutheran Social Service-Minnesota to begin a financial counseling relationship. Financial counseling is provided free of charge to rostered leaders through a partnership with Portico.</li> <li>• Returning the following documents to the Resourceful Servants Team:                             <ul style="list-style-type: none"> <li>• Two most-recent pay stubs (to confirm income level)</li> <li>• Signed copy of the conditional acceptance letter. This will function as a release of records, allowing us to verify contributions, so matching funds can be distributed.</li> </ul> </li> </ul>

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<sup>2</sup> If an applicant has previously caused a loss to the credit union, he or she would be ineligible for this program.

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	<b>Emergency Savings</b>	<b>Retirement Savings</b>
Data collected through the application	The application itself will be relatively simple, collecting a limited amount of information: <ul style="list-style-type: none"><li>• Name</li><li>• Address</li><li>• Congregation</li><li>• Congregation Address</li><li>• Synod</li><li>• Age</li><li>• Call status (full-time or part-time)</li><li>• Number of years in ministry</li><li>• Level of income</li><li>• Congregational approval<sup>3</sup></li></ul>	
Disqualifiers/Conditions which would invalidate the match	Part of the application document includes what would disqualify a leader from continuing to receive matching funding. These conditions would include: <ul style="list-style-type: none"><li>• Having caused a loss to the credit union (for the emergency savings matching program only).</li><li>• Withdrawing money (personal contribution or matching funding) in consecutive months. Recipients are entitled to withdraw any amount in their account, but doing so would disqualify them from receiving additional matching funding.</li><li>• Ceasing contributions to the emergency or retirement savings fund in two consecutive months (unless between calls, wherein the process described below would be employed).</li><li>• Leaving the ELCA roster.</li></ul> Matching funds are distributed quarterly. Should any of the above disqualifiers occur, the leader would be disqualified from the program and ineligible for the current quarter's matching funding.	

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<sup>3</sup> This will be done either as an attached document to be filled out online, or as a page which can be printed, signed and returned.

	<b>Emergency Savings</b>	<b>Retirement Savings</b>
Process for changing call during the program	<p>Pastoral leaders who go on leave from call can apply for a leave from the program (up to 6 months). During this time, the leader would still be considered a part of the program; however, he or she would not be required to make contributions during this time, nor would he or she receive matching funds during this time. When he or she receives a new call, he or she should contact the Resourceful Servants team to again become an active recipient. Once active, the pastoral leader would return to the normal procedure of monthly contributions. In order to receive the full matching amount, he or she would need to continue contributing for additional months beyond the timeframe originally set. For example, although the program is designed to provide a match for 24 consecutive months, if after 15 months in the program, a leader went on leave from call for 3 months, he or she would not receive matching funding in those months. Rather, to receive the full amount, the leader would be required to make deposits in the 25<sup>th</sup>-27<sup>th</sup> months following acceptance. As with the initial acceptance into the program, a rostered leader's new employer would need to agree to their participation.</p>	
Program length	<p>Initial acceptance into either program is for a period of a year. At the end of the first year, a leader can renew for a second year by remaining in good standing with the program and agreeing to continue participating in financial education<sup>4</sup>. Through the Resourceful Servants grant and the generosity of the Mission Investment Fund and Portico Benefits Services, this program is funded for two years.</p>	

*Step 5: Processing Applications*

Using the data collected through the online application process, applicants will receive a score based on financial need and other demographic characteristics. Full explanation of the scores is included in Appendix G.

For emergency savings and retirement savings programs:

- Individual income as a proportion of synod guidelines (lower will be preferred)
- Job status (full-time will be preferred to part-time)

Additional preferences for retirement savings program:

- Call status (first-call will be preferred to subsequent call)
- Applicant age (younger will be preferred to older)
- Years in ordained ministry (fewer will be preferred)

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<sup>4</sup> In the first year, participation in financial education is attending sessions with a financial counselor from LSS-MN.

As mentioned previously, the due date for applications for either matching program will be one month following the distribution of the campaign email. On the due date, the Resourceful Servants Team will begin processing all of the applications and assigning candidates a financial need score<sup>5</sup>.

#### *Step 6: Sending Conditional Acceptance Letters*

Conditional acceptance letters will be sent to all of those selected for the matching programs based on need score within 3-4 weeks following the due date for application submission. The conditional acceptance letter—a draft of which is included in Appendix H—will restate much of the information from the application process, particularly around the actions a pastoral leader and the congregation agree to take by being involved in this program, the data or documentation needed for validation, as well as other terms and qualifiers. In order to track this information, applicants will be provided with an application checklist, included in Appendix I.

Those conditionally accepted would need to send supporting documents within a month following receipt of their conditional acceptance:

- Open a savings account with the ELCA Federal Credit Union<sup>6</sup>
- Submit to a credit check through the credit union
- Set up automatic withholdings of \$50 per month (or \$25 per pay period if paid bi-monthly) to be deposited into their account with the credit union, **or** increase his/her individual retirement contribution by up to \$50 per month (or \$25 per pay period if paid bi-monthly)
- Contact Lutheran Social Service-Minnesota to begin a financial counseling relationship. Financial counseling is provided free of charge to rostered leaders through a partnership with Portico.
- Returning the following documents to the Resourceful Servants Team:
  - Two most-recent pay stubs (to confirm income level)
  - Signed copy of the conditional acceptance letter to function as a release of records. This will allow the Resourceful Servants team to verify contributions before distributing matching funding.

#### *Step 7: Distributing Matching Funds*

After all of the supporting materials have been received, recipients will be informed that their acceptance has been confirmed. Matching funding will be distributed to recipients on a quarterly basis; for the emergency savings recipients, matching funding will be deposited directly into their savings accounts with the credit union, and for the retirement savings recipients, matching funding will be sent to the recipient's congregation with a letter of the purpose of the funding and to include the matching funds as an additional (as opposed to a substitute) employer contribution. This letter is included in Appendix J.

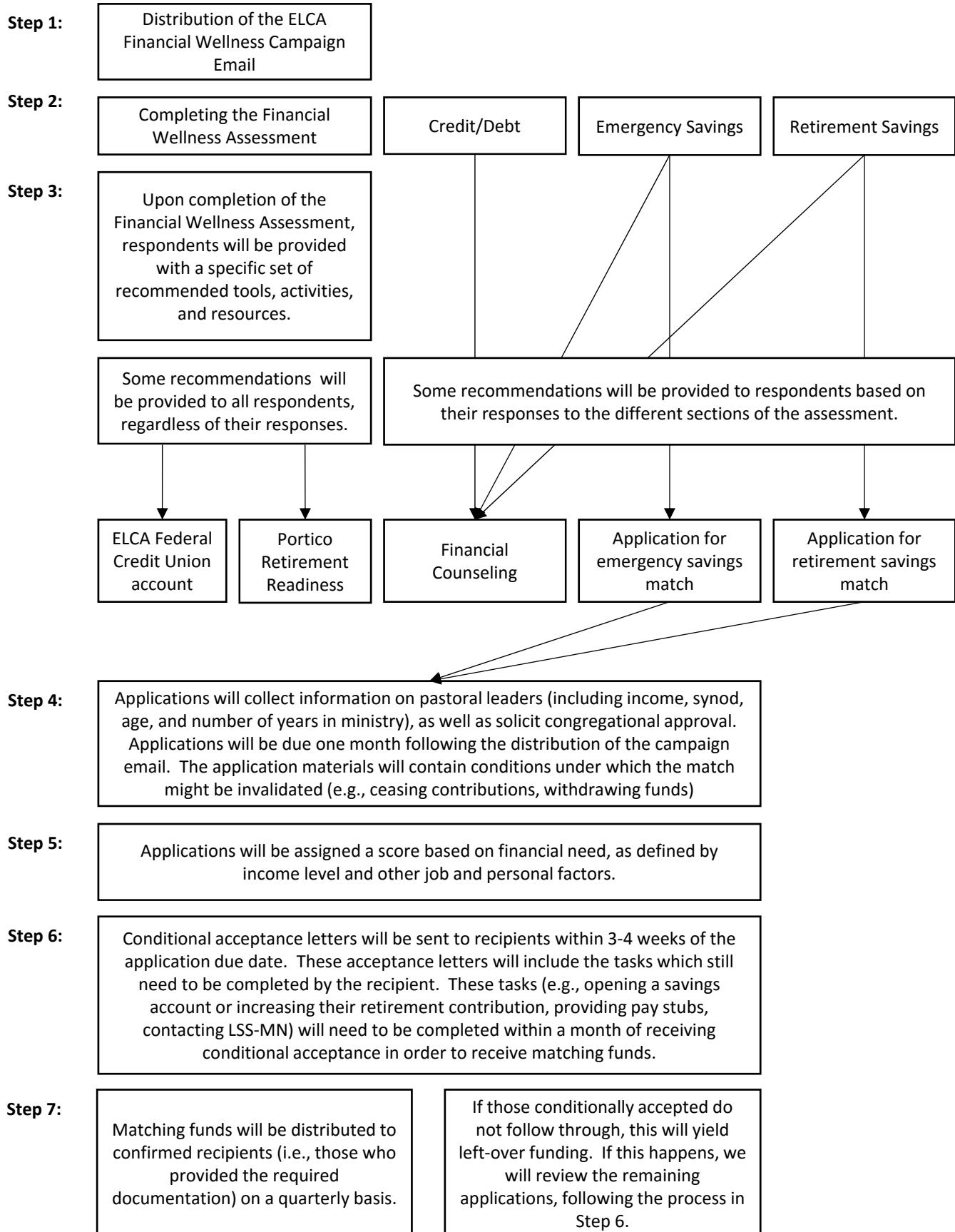
If there are some of those conditionally accepted who do not return the necessary documentation, we will continue to send out notifications to other qualified recipients until the appropriate number of recipients has been reached.

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<sup>5</sup> This process has the advantage of evaluating all applications at once and awarding the greatest number of leaders who are in greatest financial need (according to our definition), as opposed to distributing funding on a first-come, first-served basis, which may potentially leave out leaders who are in greater need.

<sup>6</sup> If an applicant has previously caused a loss to the credit union, he or she would be ineligible for this program.

## Appendix A – Proposal for ELCA Financial Wellness Campaign and Resourceful Servants Matching Savings Programs Process



## **Report of the Presiding Bishop**

It is interesting to be on the other side of my first churchwide assembly. I had underestimated the amount of preparation and the scale of work needed to get close to two thousand people for worship, deliberation, legislation, hearings, bible study and experiential learning. This year we added the Grace Gathering on top of all that. It was a good assembly and, judging from evaluations, the Grace Gathering was a hit.

Before the 2016 ELCA Churchwide Assembly I imagined that I would be relieved when it was over. I soon discovered that I experienced what I called in the parish the “After Easter Syndrome” – that is, confronting all the things that I didn’t have time to get to during Lent, but promised I would get to them after Easter. It can be daunting. We’re there now. We approved a substantial number of memorials and resolutions. All of them require action by synods and/or the churchwide organization. I suggest that it is not possible to accomplish all that the 2016 Churchwide Assembly directed us to do. We seek your wisdom at helping us to prioritize our work around assembly actions.

Here are some reflections about three areas of our work together. The first is a constellation of initiatives that are grouped around the Called Forward Together in Christ (Called Forward) process. We will devote significant time working on Called Forward and the Future Directions statement. You know that leadership and faith formation are two of the priorities that have been lifted up across this church. You also know and will hear more about the work of the Theological Education Advisory Council (TEAC) and the Theological Education Advisory Committee (Advisory Committee). TEAC was in progress before the Called Forward Together in Christ process began and work continues. Though this might seem like a lack of coordination between the two processes, Called Forward and the Advisory Committee’s work do fit together. TEAC recommendations and the work of the Advisory Committee actually support two of the priorities identified by our members. As the Church Council finishes work on this phase of Called Forward Together in Christ, we can already see where work has begun. It will not be necessary to start from scratch on all areas as the Church Council, the Conference of Bishops and the churchwide organization implement the priorities of Called Forward.

The second reflection is about our work as the church toward racial justice. This summer the Churchwide Assembly passed the resolution “A Strategy Toward Authentic Diversity within the ELCA.” Last November, the Church Council voted, “To recognize and affirm the extensive efforts of the presiding bishop to call the entire church to confront racism and add our voice to that call; and to invite the presiding bishop to include the current efforts on a broader, comprehensive strategy toward becoming a racially and ethnically diverse church committed to dismantling racism.” [CC15.11.55] We have begun this work and are currently doing an inventory of all efforts, staff, programs and methods of communication already in place. It is clear that we are working toward the goals set in the Church Council motion and in the Churchwide Assembly resolution. It is also clear that that we have not yet developed a comprehensive strategy. You will receive a progress report at the April 2017 Church Council meeting.

Race is a complex, extensive, ever-present issue in our country and in this church. Minimizing this reality has corrosive effects on us all. This past October I, along with several of our bishops, pastors and lay people, were in North Dakota meeting with the Standing Rock Sioux Tribe, local law enforcement and state government. It is complicated. Two peoples are trying to share one land. And, in the case of the American Indians, one people is trying to live in two worlds. The presenting issue is the Dakota Access Pipeline. Native people are protesting its route; environmentalists and native people are protecting the Cannonball and Missouri rivers; law enforcement are trying to maintain order; the oil and pipeline people are trying to get oil from the Dakotas to Illinois. The deeper issue, as I see it, is the long and contentious history of native and non-native people in North Dakota and in this country. Native people want to be heard and respected. I believe they are taking a stand.



At the 2016 Churchwide Assembly we voted to repudiate the Doctrine of Discovery. In that memorial we pledged to “practice accompaniment with Native peoples”, to “develop resources to educate members of the ELCA and the wider community about the Doctrine of Discovery and its consequences for Native peoples”, to “offer a statement of repentance and reconciliation to Native nations in this country for damage done in the name of Christianity” and to “encourage the Office of the Presiding Bishop to plan an appropriate national ceremony of repentance and reconciliation with tribal leaders.” That sounds to me that this church has decided to stand with Native peoples and that I, as presiding bishop, need to lead on this. To that end, I will issue a statement of support for Standing Rock.

The third reflection is about the joy of the ELCA’s ecumenical relations and the fruit of that labor. At the 2016 Churchwide Assembly, we affirmed the 32 areas of agreement presented in the document, “Declaration on the Way” between Lutherans and Catholics. Over 99 percent of us voted in favor of the resolution. On October 31, 2016, I, along with Christina Jackson-Skelton and Kathryn Johnson, had the honor of representing this church in Sweden that was a visible witness to the growing cooperation between Lutherans and Catholics. The liturgy in the Lund cathedral was led by Lutheran World Federation (LWF) General Secretary Martin Junge, LWF President Bishop Munib Younan, and Pope Francis and Cardinal Koch of the Vatican. It was a deeply moving experience where Lutherans and Catholics, along with ecumenical guests, rejoiced as one. We also pledged to greater cooperation in diaconal work through Caritas Internationalis and Lutheran World Federation Church World Service. It was a hopeful moment.

Those are my reflections, now I want to share some good news. Thanks to a generous gift for current scholarships, I am happy to announce that we will be awarding 60 additional students full tuition seminary scholarships over the next three years. With that in mind, I am announcing a new Leadership Initiative to inspire ELCA leaders to seek out and encourage gifted people in their congregations, communities and networks to consider a call to the ministry of the Gospel, supported by growing levels of scholarships for the costs of seminary tuition. We will be sharing this news with your churchwide staff on Monday and we have a comprehensive plan to launch the initiative in January.

As ever, I am deeply grateful to you, our staff, my brother and sister bishops, rostered ministers, and our people for your faithful ministry. Thank you for your partnership in the gospel.

### **Report of the Secretary**

All of the preparations for the 2016 ELCA Churchwide Assembly paid off in what seems to have been a successful assembly by most any measure. The work of countless people in making the duties of the voting members possible is testimony to the remarkable people who work in the churchwide offices. I am particularly proud of the staff of the Office of the Secretary who made all of the logistical arrangements for this event. MaryBeth Nowak and the events planning team made the event go smoothly and managed to handle any glitch very quickly and quietly, so that few if any others knew of potential problems. Sue Rothmeyer, the secretary's deputy, stayed on top of the submissions and Vice Presidential withdrawals, collected and composed the announcements, and was the face of the business of the assembly. Frank Imhoff and the minutes' team recorded all that we did and are well on the way to completing this effort. Phil Harris and the election's team were timely and professional in their work. We need to thank these and the other churchwide staff who did their regular jobs and supported the work of the assembly.

Now comes the task of implementing the work given to this church by the assembly. We need to continue to look at how to be responsive to the concerns of our members in ways that do not raise expectations for action to an unrealistic level, and we need to consider the additional staff time and the budget these new assignments bring when adopted by the assembly. I invite your consideration and your comments on how we can address this ongoing issue. If we had unlimited financial and personnel resources, this would not be an issue. We will look to the council and its committees to help us prioritize the important work that has now been given to the churchwide organization.

#### **Specific Churchwide Assembly Actions**

Related to the Church Council is the memorial regarding gender identity that was given to the council for study and recommended action. The memorial calls for the council to begin a study of the issues related to gender identity and, out of that study, to recommend appropriate actions related to the representational principles of this church. I will be working with Theological Discernment in the Office of the Presiding Bishop to recommend how the council might engage this study process. It is my hope that this will begin in the April 2017 meeting of the Church Council.

The assembly also voted that the churchwide staff and Church Council consider creating a task force to organize actions consistent with ELCA policy that addresses gun violence prevention. Domestic Mission Unit has provided a response to this assembly action.

The assembly also requested the Church Council study the removal of bylaw 13.32.02 of the *Constitution, Bylaws and Continuing Resolutions of the Evangelical Lutheran Church in America* which prohibits compensation for the vice president except for reimbursement of expenses. It also requests that the study include consideration for child and elder care or a stipend for services related to the duties of the vice president.

There are a number of other actions of the assembly that request that units or offices of the churchwide organization prepare actions for the Church Council. These will be coming to the council for action consistent with the timelines that the units or offices propose to the council, or through the reports they provide.

I will say again that I believe that the Church Council should help the staff prioritize these actions and responses in ways that gives attention to the budgetary and staff capacity of this organization. We should not diminish the action of the assembly and, at the same time, we need to be good stewards of our resources.

### **Summary of Annual Reports from Congregations**

Much of this is a repeat from my report at the Churchwide Assembly. The full report of the numbers from the annual parochial report is the “Supplement to the Report of the Secretary” in the Pre-Assembly report to the Churchwide Assembly. We continue to lose roughly 2.6 percent of baptized membership each year. Our baptized membership as of December 31, 2015 was 3,668,034. This represents a reduction of 97,328 from 2014. As I said in my verbal report, we have lost 31 percent of our baptized membership since the formation of this church.

Congregational total financial receipts were up 1.6 percent to \$2,464,222,611. Regular giving by members was \$1,755,747,689 or an increase of \$3 million. Current fund expenditures were \$1,824,485,333. Congregations spent more in current fund expenses than they received in regular offerings. Payments on debts was up .4 percent and mission support was down 1.43 percent to \$97,942,700. This mission support number represented 3.99 percent of total spending.

We do have 72 fewer congregations at the end of 2015. This is the result of congregations closing or merging. The number of congregations disaffiliating from this church in the last three years has been matched by the number of new congregations being received. There are still a small number of congregations working through the disaffiliation process.

I recognized Bishop Thomas Skrenes and the Northern Great Lakes Synod at the Conference of Bishops meeting. That synod was the only synod that had a 100 percent return rate of its congregations completing their parochial reports. We did see a 78 percent return rate across this church. That is up from last year and moving toward my hope for a regular return rate over 80 percent.

### **Vice President’s Election**

Even with the confusion about when biographical information would or would not be available, my impression is that the identification process for the Vice President’s election served us well. We will be receiving feedback for a while yet, but I intend to bring a similar continuing resolution related to the election of the secretary in 2019. It was very clear in 2013-14 that those surveyed did not want to see any change to the presiding bishop election process. We do have time to consider this, but it would be my hope that the processes we will be using in 2019 are in place late in 2017 or early 2018. In that way, we can be clear about how we will work together to make these decisions. I welcome your comments and concerns that should be considered as we move forward.

### **Manual of Policies and Procedures for Management of the Roster**

In my verbal report to the November 2013 Church Council, I naively said that a revised roster manual would be considered by the council at its April 2014 meeting. Having been in the office only a few days, I did not realize the scope of what this would entail. The creation of a roster of Ministers of Word and Service has also impacted this work. Sue Rothmeyer has developed the outline and structure for this rewrite of the manual. We are working with the Conference of Bishops’ Roster Committee in addressing currently known issues and other issues that are related to the management of the roster.

I will be sharing our progress on this rewriting of the manual with the Legal and Constitutional Review Committee at this meeting. Our timeline is for the proposed rewritten manual to be reviewed by the Conference of Bishops next March and to come to the council for action next April. Much of what we are doing is reorganization of the manual. There will be some significant additions or reflection of current practices that will be incorporated into the manual. All of this will be posted on [My.ELCA.org](http://My.ELCA.org) as it becomes available. I would anticipate an “executive summary” of the document to help you see what changes are being proposed.

If you have questions, concerns or ideas about what should be addressed in this policy, please speak to me or Sue Rothmeyer. We welcome your questions or comments.

### **Digitization of Records and the Yearbook**

The IT department and the Mission Advancement Unit are working closely with the Office of the Secretary in two digital projects. We hope to begin the process of digitizing the roster files that are on file in the Office of the Secretary in the coming months. The ELCA Constitution requires that the secretary keep the roster files of those rostered ministers who have resigned or been removed from the roster of this church. This is so that these files are preserved in case the person would apply for reinstatement to the roster of this church. We are rapidly running out of the physical space to store these files and much of the world is storing this type of information in a digital format. I hope to report on the progress of converting these files at our April 2017 meeting.

The other digital project underway is the development of an electronic yearbook in 2018. The secretary is required in 13.41.02.c. to, “provide for the publication of official documents and policies of this church, pre-assembly reports, assembly minutes, a directory of congregations, rostered persons, and entities of this church, and other informational and statistical material.” We know that 2017 will be the last year that a printed yearbook will be published by 1517 Media. We have been in conversation since before I was elected about this conversion. A team from IT, Mission Advancement and the Office of the Secretary are looking at a variety of options to meet this constitutional responsibility. We are discovering the multitude of ways in which the current yearbook is being used and will be surveying these users in helping us transition to this new way of sharing this data. The possibilities are numerous and the capacity of our systems and staff need to be factored into the final decision about what the electronic yearbook will be. I will keep you posted as we make both of these transitions into the digital world.

### **Amendments to the Constitution, Bylaws, and Continuing Resolutions**

Thanks to the hard work of Frank Imhoff, the amended constitutions were posted on [www.elca.org](http://www.elca.org) by September 1, 2016. Given the number of amendments to the Constitution for Synods and the Model Constitution for Congregations, we are working with synod committees to assist both synods and congregations to incorporate these amendments. For synods, the required provisions became effective upon notification from me that the amendments have been adopted. There were also a number of non-required amendments. These will need to be acted upon by the synod assembly at their next meeting. These could be adopted En Bloc and require a majority vote.

Congregations must act to adopt the amendments made by the Churchwide Assembly. None of the provisions, required or suggested, are automatically changed in a congregation's constitution. If a congregation is acting to bring their constitution into compliance with the Model Constitution for Congregations, then there is only one vote with a majority of those voting approving the amendment. If there are changes to the model, then a 2/3 vote is required at two separate meetings. Synod approval is required for those amendments not following the model. It is not required for those amendments that are consistent with the model. We will continue to work with synod committees to facilitate these amendment processes.

### **Roster of Ministers of Word and Service**

The work of unifying the three lay rosters into the roster of Ministers of Word and Service is underway. With the effective date of January 1, 2017, we anticipate that the records of the churchwide organization and related forms will reflect this change by mid-January. For example, if an associate in

ministry goes to the website and does a person search on January 2, 2017 the titles may not have changed. Yet by January 15, 2017, we intend to have that change made across all of our systems.

An unexpected criticism of this action by the assembly is the continued concern that we have removed the title pastor from ministers of Word and Sacrament. Facebook and several communications to me after the letter announcing this action have stated that ministers of Word and Sacrament will no longer be called pastor. This is not true, but reflects the power of social media and the rumor mill in its misinterpretation of what the church is doing. We amended the constitutions so that the term pastor was used principally with congregational service, following the pattern established earlier in this church's constitution. This is not to remove the title for those serving in other arenas, but in the constitution we have limited its use to congregational settings. When speaking of the roster, we refer to ministers of Word and Sacrament. Ministers of Word and Sacrament are still ordained. I must confess a little disappointment with fellow ministers of Word and Sacrament and their hyper-sensitivity to their titles. The changes to the constitution did not change their titles other than to focus on their primary task to be ministers of Word and Sacrament.

My letter to rostered ministers may have raised some confusion about the entrance rite decisions that will be made in 2019. A couple of responses to my letter thought I was saying that there would be no entrance rite until we act in 2019. A couple of associates in ministry noted that they were received without an entrance rite and were disappointed that we were returning to that practice. At the present time, consecration will be the entrance rite for ministers of Word and Service. That may change in 2019.

### **Assembly Evaluations**

We received fewer evaluations of the assembly from members this year. That could be the result of not highlighting it strongly in the verbal announcements at the close of the assembly. However, the results were very positive. Most of the items surveyed received average scores of 4+ on a five-point scale. It is interesting to note that there were generally improved scores on most items when compared to 2013.

I would highlight that most of the members of the assembly were well prepared for the work that we asked them to do. 72 percent reported reviewing all or most of the materials prior to the assembly. 37 percent said they felt "very prepared" to fulfill their roles on the first day of the assembly. This compares to 33 percent in 2013 and 16 percent in 2011.

The comfort with and use of technology continued to increase. Only 18 voting members requested paper copies of the pre-assembly materials. We printed 100 copies of the materials that were created at the assembly. We did not track how many of these were picked up by voting members, but our impression is that most did not pick up this information.

The worship at the assembly was rated very high. Those reporting that they attended the Bible Study did drop from 81 percent in 2013 to 55 percent in 2016. The location of the Bible Study and the pace of the daily schedule may have affected this participation.

The comments to this survey provide some interesting observations. On the whole, the evaluations have been very positive. We will continue to listen to this information as we begin our preparations for 2019.

### **Closing Thoughts**

By the time we gather for the Church Council meeting, the election season will be over. The World Series will be history, and Chicago may or may not have returned to "normal." This has been a most interesting year. We are the church in these times. In an age of sound bite and polarized politics, we bring the message of God in Christ being incarnate for the life of the world. Amid the pressures to despair, God comes again to give life and hope. God is in Christ reconciling the world to God and calling us to be messengers of this reconciliation. This is a high calling. Thanks be to God.

**Report of the Treasurer**

**2016 OPERATING RESULTS SUMMARY  
FOR THE EIGHT MONTHS ENDING SEPTEMBER 30, 2016**

The churchwide organization of the Evangelical Lutheran Church in America had total operating revenue and support of \$43.8 million for the eight-month period ending September 30, 2016, \$1.8 million higher than expenses of \$42.0 million. Operating results were favorable to the period budget by \$5.5 million.

Revenue totaled \$41.2 million for the eight-month period compared with \$41.6 million the previous year, a decrease of \$0.4 million or less than one percent. In addition, \$2.6 million in support was released from restriction or designation during the period. Total revenue and support for the eight-month period of \$43.8 million was favorable to the budget by \$2.1 million and unfavorable to the prior year by \$0.5 million. Expenses related to the current operating fund of \$42.0 million were below the authorized unit spending plans by \$3.3 million, and constituted a decrease of \$1.4 million from the previous year.

Income from congregations through synods in the form of Mission Support income for the eight months was \$28.1 million, favorable to the budget by \$0.2 million and unfavorable to the prior year results by \$1.1 million. The Mission Support budget for 2016 of \$45 million is \$2.1 million or 4.5 percent lower than the amount received in fiscal 2015.

Other unrestricted and temporarily restricted revenue and support available for the budgeted operations of the churchwide organization amounted to \$10.3 million, compared with \$9.3 million in the previous year. Income from Vision for Mission amounted to \$0.3 million. Income from Global Church Sponsorship (including missionary sponsorship) was \$1.8 million, unfavorable to the prior year results by \$0.3 million. Endowment distributions of \$2.4 million, income from bequests and trusts of \$2.5 million, and investment income of \$2.0 million were received. The Mission Investment Fund provided grant support of \$1.0 million to the churchwide organization. Additionally, other income of \$3.2 million was received during the period.

ELCA World Hunger is this year's ministry emphasis of *Always Being Made New: The Campaign for the ELCA*. Total contributions to ELCA World Hunger for the eight months was \$10.9 million, slightly favorable to the budget by less than \$0.1 million and favorable to the prior year by \$1.0 million. ELCA members and partners have contributed \$2.8 million for Lutheran Disaster Response in the eight-month period, primarily in support of the response to U.S. Floods, U.S. Severe Spring Storms, Middle East – Europe Refugee Crisis and for general undesignated programs.

*Always Being Made New: The Campaign for the ELCA* has raised \$96.3 million in revenue and commitments to date in our five-year, comprehensive campaign. This amount represents 48.6 percent of the total goal of \$198 million by January 31, 2019. In addition to results reported above, strong response to date continues to be in the areas of New Congregations, Fund for Leaders, and International Leaders: Women.

# ELCA Churchwide Organization Financial Overview

Church Council  
November 12, 2016

results through September 30, 2016  
(preliminary and unaudited)



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# Financial Highlights

## Revenue/Expense

- Current fund revenue: *ahead of budget by 5%*
- Current fund expenses: *spending at 93% of budget*
- ▼ Mission support: *on budget and tracking to achieve \$45M goal; behind prior year by 4%*
- Campaign for the ELCA: *raised 49% of total campaign goal; half of campaign categories on track to meet annual goals, bolstered by undesignated gifts*
- World Hunger: *income ahead of budget and prior year*

● Green = on target    ▼ Yellow = monitor    ◆ Red = requires action



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# Current Fund Results



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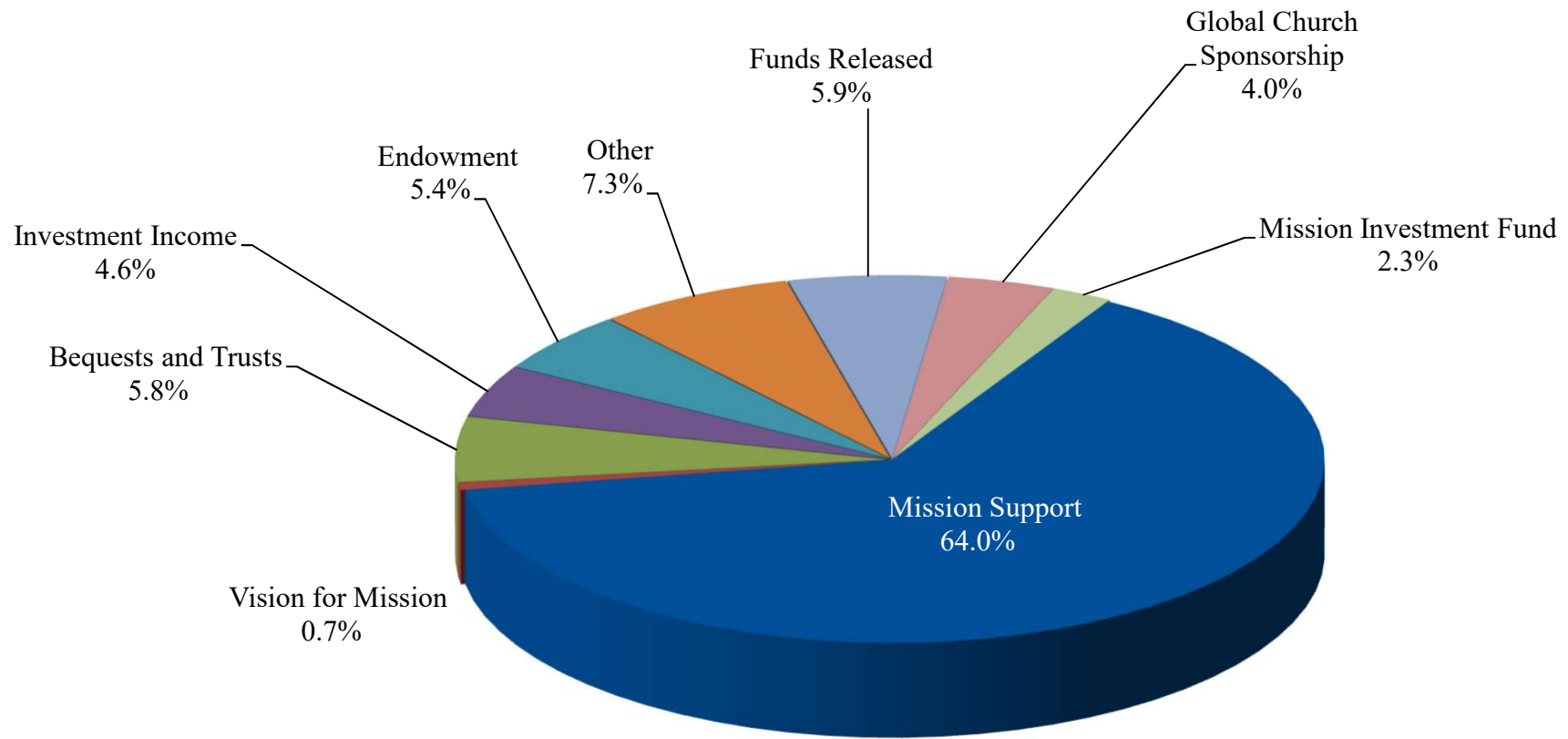
# 2016 Current Fund Summary

(In Thousands)

		<b>Variances From:</b>	
	<b>Actuals</b>	<b>Budget</b>	<b>Prior Year</b>
<b>Revenue</b>			
Mission Support	\$28,062	\$239	(\$1,085)
Other	13,174	1,877	735
<b>Total Revenue</b>	<b>\$41,236</b>	<b>\$2,116</b>	<b>(\$350)</b>
<b>Des/Res Funds Released</b>	<b>\$2,590</b>	<b>\$10</b>	<b>(\$171)</b>
<b>Expenses</b>	<b>\$42,036</b>	<b>\$3,332</b>	<b>\$1,405</b>
<b>Net Operating</b>	<b>\$1,790</b>	<b>\$5,458</b>	<b>\$885</b>



# 2016 Current Fund Revenue and Support \$43.8M



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# 2016 Current Fund Expenses

Units/Offices	ACTUALS	VARIANCE	SPENDING RATE
Domestic Mission	\$16,044,909	\$1,273,768	92.65%
Global Mission	\$9,257,313	\$822,233	91.84%
Mission Advancement	\$2,459,089	\$580,273	80.91%
Office of the Presiding Bishop	\$3,741,416	\$271,790	93.23%
Office of the Treasurer	\$5,574,119	\$340,525	94.24%
Office of the Secretary	\$2,510,864	\$6,329	99.75%
General Treasury	\$2,448,344	\$36,935	82.71%
<b>TOTAL</b>	<b>\$42,036,052</b>	<b>\$3,331,852</b>	<b>92.66%</b>



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# ELCA World Hunger and Lutheran Disaster Response



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# 2016 World Hunger Summary

## (In Thousands)

	Actuals	Variances From:	
		Budget	Prior Year
<b>Beginning Balance</b>	\$4,749		
<b>Revenue</b>			
Direct Giving	\$8,655	(\$708)	\$991
Endowments & Donor Requested Pmts.	432	47	1
Bequests, Miscelaneous	1,831	717	(2)
<b>Total Revenue</b>	<u>\$10,918</u>	<u>\$56</u>	<u>\$990</u>
<b>Expenses</b>	<u>\$10,586</u>	<u>\$1,302</u>	<u>\$32</u>
<b>Net Revenue</b>	\$332	\$1,358	\$1,021
<b>Ending Balance</b>	<u><u>\$5,080</u></u>		



# Lutheran Disaster Response Income

## \$2.8M

### Disaster-Specific Response:

- U.S. Floods \$ 823K
- Middle East-Europe Refugee Crisis \$ 88K

### General Gifts:

- General Disaster Fund \$ 1.3M



# Lutheran Disaster Response Expense

## \$2.7M

- Global Direct Responses \$ 0.7M
- U.S. Severe Spring Storms \$ 0.3M
- U.S. Floods \$ 0.2M
- Hurricane Sandy Response \$ 0.2M







# *Always Being Made New:* The Campaign for the ELCA



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# Campaign Financial Summary

## (In Thousands)

	Revenue	Revenue & Commitments	Campaign Goal	Percent of Goal
<b>Where Needed Most</b>	\$2,622	\$4,308	N/A	N/A
<b>Congregations</b>	1,970	2,094	16,000	13.1%
<b>Leadership</b>	8,873	9,328	19,000	49.1%
<b>Global Church</b>	10,435	11,733	33,000	35.6%
<b>Hunger and Poverty</b>	67,631	68,847	130,000	53.0%
<b>TO TAL</b>	<b>\$91,531</b>	<b>\$96,310</b>	<b>\$198,000</b>	<b>48.6%</b>



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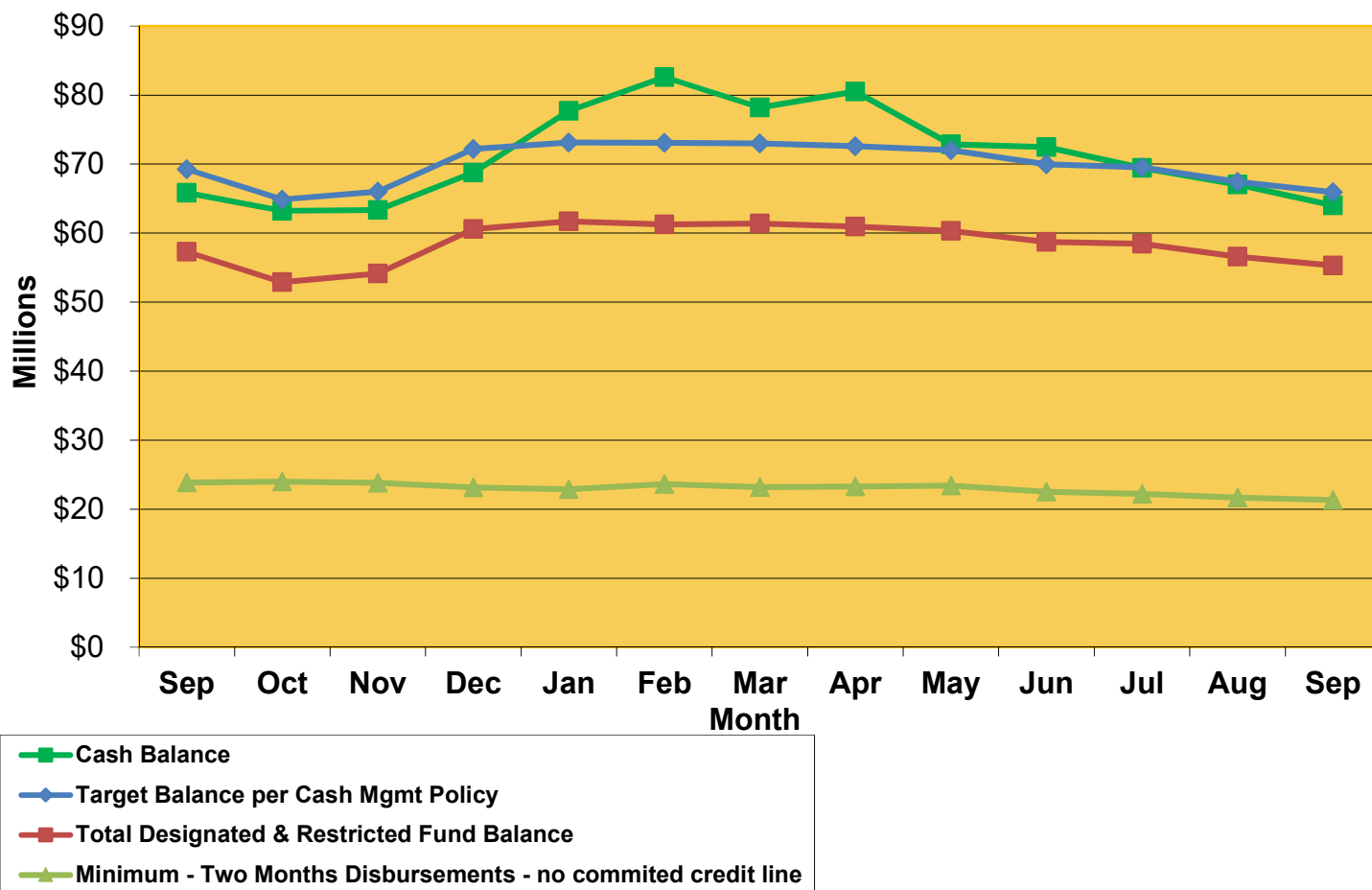


# ELCA Asset Management

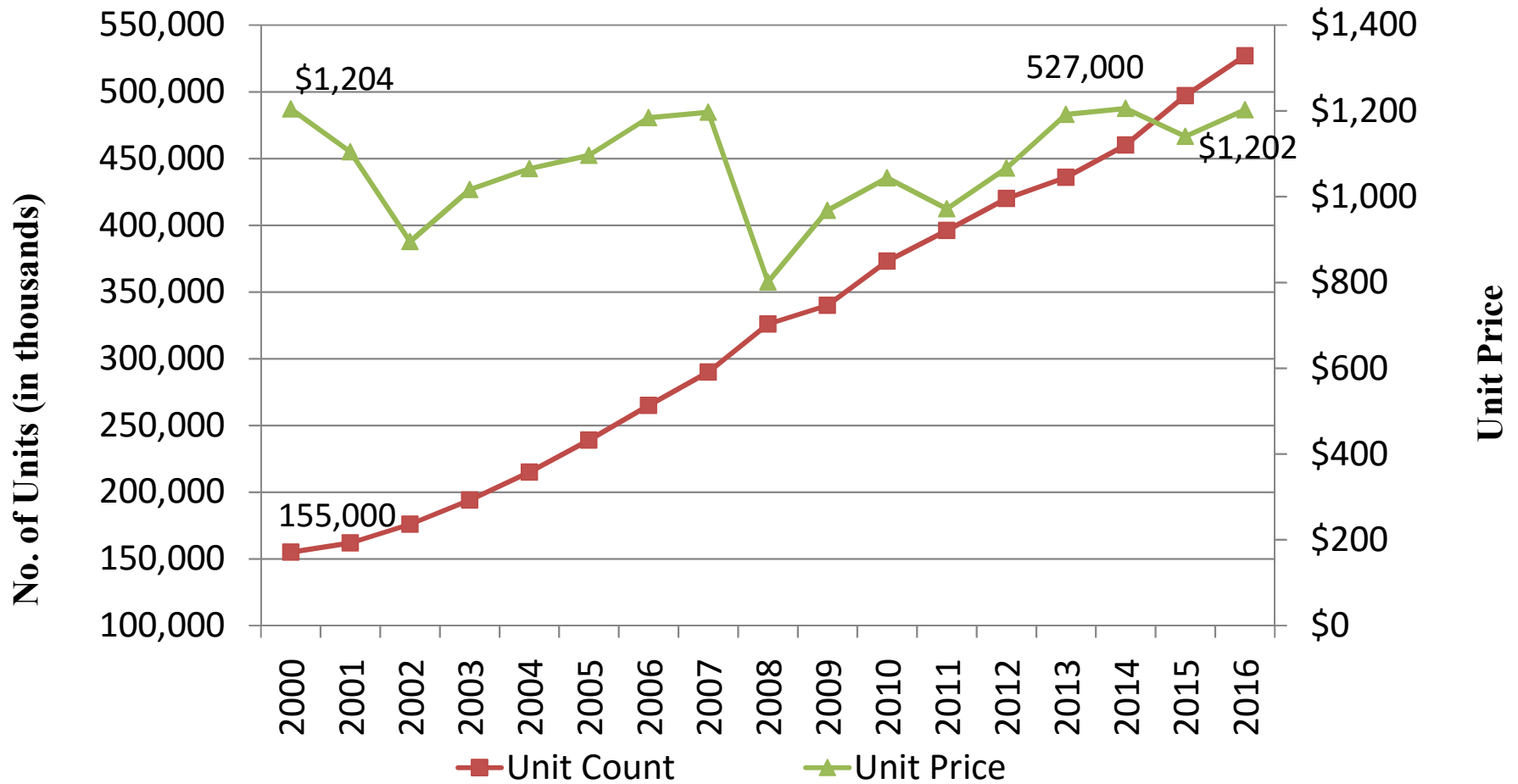


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## Cash Management Policy Comparison vs. Actual September 2015 through September 2016

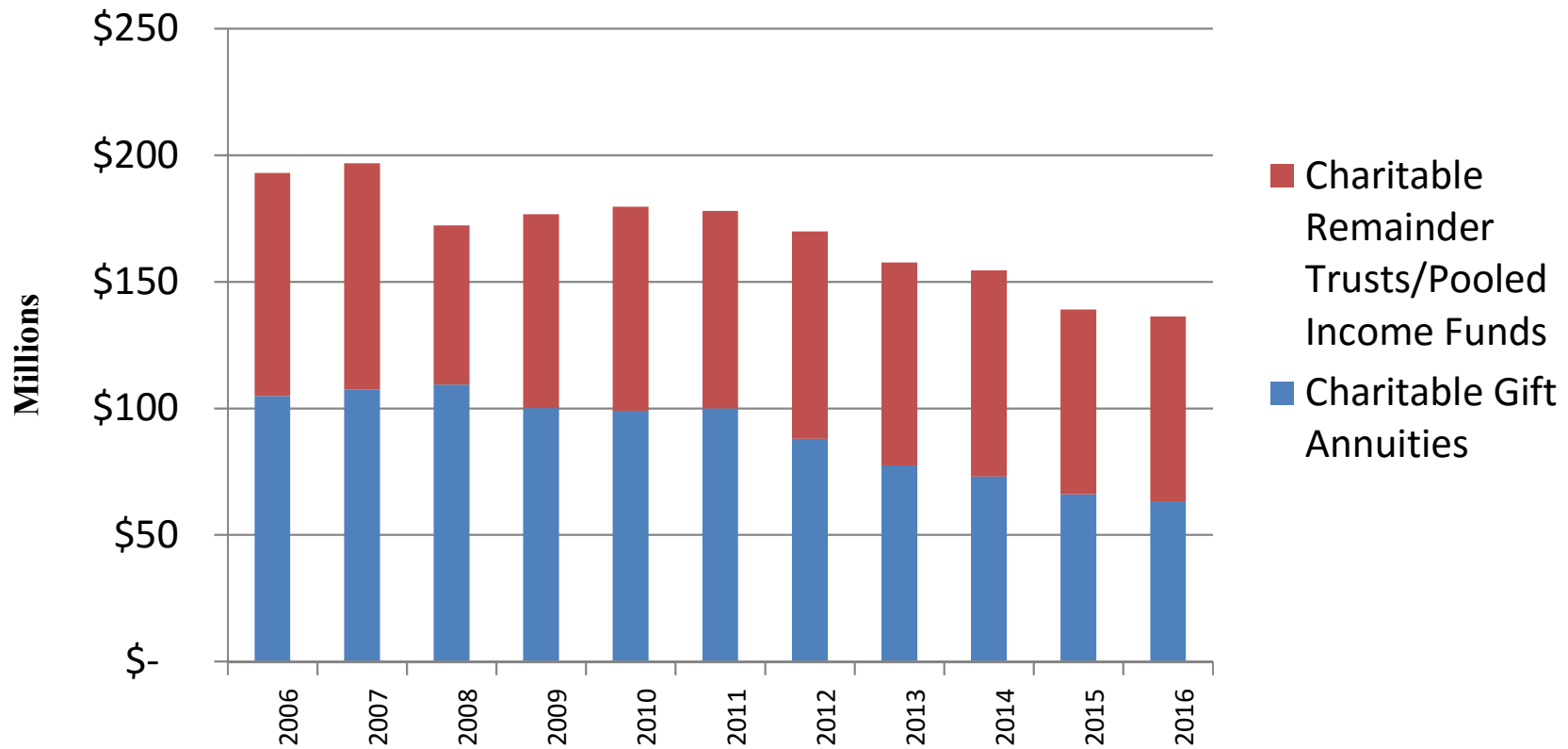


# Endowment Fund Pooled Trust - \$633M



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# ELCA Deferred Gift Programs Comparative Market Values



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# Questions/Comments



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## **Report of the Vice President**

Psalm 121

Assurance of God's Protection

I lift up my eyes to the hills—  
from where will my help come?  
My help comes from the Lord,  
who made heaven and earth.  
He will not let your foot be moved;  
he who keeps you will not slumber.  
He who keeps Israel  
will neither slumber nor sleep.  
The Lord is your keeper;  
the Lord is your shade at your right hand.  
The sun shall not strike you by day,  
nor the moon by night.  
The Lord will keep you from all evil;  
he will keep your life.  
The Lord will keep  
your going out and your coming in  
from this time on and forevermore.

This was the way that I began the substance of my remarks to the Conference of Bishops meeting held in the Lutheran Center September 30-October 4, 2016. As I reflected on my work as a city manager and church leader in service to this church, I immediately thought about what inspires me to meet the challenges that these leadership positions present in my daily life of work and service. The help that I need to be effective and successful in the work and service that I do comes from the Lord. He is with me every step of the way and I can overcome any obstacle placed in front of me, whether I can see it coming or if it is unexpected. It is with this level of confidence that I begin my term as ELCA Vice President and Chair of the ELCA Church Council. I am so excited about our Church Council and hope that everyone approaches our work together with the same confidence.

So what did I tell the Conference of Bishops in my first report? I attended the Conference of Bishops along with Meri Jo Petrivelli and Jim Hushagen. I shared a little more of my background, both personal and professional, building on what I shared with the 2016 Churchwide Assembly voting members during the Vice President election process. I shared a perspective of what I thought of the Conference of Bishops. I have a profound sense of respect and support for the bishops of this church. One of the major reasons I have been so active in the church is because of the nurturing relationships that I have had and continue to have with active and retired Florida-Bahamas Synod bishops and other bishops as well. I admire greatly the work they do for this church. My aspirational goal is that my work as the Church Council Liaison, combined with other Church Council guests like Meri Jo and Jim, who were at this past meeting, will complement and enhance the work of the Conference of Bishops. There may be times that the Church Council and the Conference of Bishops will respectfully disagree on issues of church policy and implementation, but I believe that both groups want to move the church forward in a spirit of unity in response to God's call. I also would like to see this church characterize the Conference of Bishops' influence more accurately in our governance model. Simply stated, the Conference of Bishops influence is more than "advisory" and yet that is the way the group fits into the governance of this church. The presence of the Conference of Bishops Chair on the Church Council has been a positive step in that



regard. It is difficult for me to believe that the decision making authorities in the church would pursue a direction or make a decision that the Conference of Bishops would strongly oppose.

So what about you as Church Council? In our November 2016 meeting, based on the 2016 Churchwide Assembly election results, we will be a group of 50 lay and rostered members of this church. I attended the New Church Council Member Orientation held on September 23, 2016, and got a chance to meet and help our newest members get oriented to their new role as Church Council members. I am excited about each of them, and believe they will bring energy and revelation to the Church Council. In a time of crisis (or not) between assemblies, the Church Council will have to make good and key decisions and provide effective leadership on behalf of this church for the sake of the world. It must work collaborative and cooperatively with all expressions and affiliates. We must be a good role model in all that we do. We must enhance the work of the Conference of Bishops in the way that we do our work as the Church Council. We have Church Council members attend Conference of Bishop meetings and the Liaison Bishops attend our meetings. I see my role not only to chair our Church Council meetings, but to encourage the full voice of the council to be heard on all matters that come before us. I strongly believe that the time we spend as Church Council should be focused on church priorities and that we control our meeting schedule and not let it control us.

So what are some of my hopes for this church? I would like to strengthen the connection between the congregational expression and the other expressions within our church. I believe that the Called Together Forward in Christ initiative offers the opportunity to begin that process. My hope is that this strategic focus on church priorities will bring us all together like no other previous efforts have been able to do thus far. It will require all expressions of this church to demonstrate strong ownership in the direction we take over the next several months.

We all want to become a multicultural church and have expressed this goal in our documents for a very long time. We have realized that saying what you want to become is much easier than actually doing it. I believe that we need to articulate what the multicultural universe should look like for our church and identify specific measures that we need to take to create that image. In the past, we have identified parts of the whole, but I don't believe that we have the total picture yet. Nevertheless, we should broadly celebrate what we have accomplished thus far.

We should fund church priorities. What do I mean? We should have the most gifted and inspired seminarians on our rosters and make it affordable for them to get there. We do this in other professions. Why can't we do this in our church? We have made Global Mission a signature priority of this church. We need to do the same for theological education.

I have a lot of hopes for this church, but I can't expect to fulfill them all at once. I would like to see us establish a reasonable pace to achieve our dreams.

Finally, what excites me about being Lutheran is that we dare to reflect our faith on our daily life. I know that Lutherans are well known for the work we do in our communities. It is how we touch the lives of the people that we meet and interact on an individual level that reflects the love of Christ and God's promises.

Think about what lies ahead for this church over the next three years leading up to the 2019 Churchwide Assembly. Think about the help that we need to get all of our important work done. This is why I encourage you to join me in lifting our eyes to the hills--to acknowledge that the help we seek comes from the Lord.

My journey as ELCA Vice President has begun, and with your prayers and support, I am convinced that we can do amazing things to advance God's mission in the world.

God's Work. Our Hands.

## Responses to Churchwide Assembly Actions

### 1. Deepening Relationships with Historic Black Churches

#### *Churchwide Assembly Action [CA16.03.05]*

To receive with gratitude the memorial of the Southwestern Texas Synod calling for the Deepening of Relationships with the Historic Black Churches;

To refer the memorial to the presiding bishop and appropriate churchwide staff to develop a churchwide strategy for deepening relationships with Historic Black Churches in consultation with the African Descent Lutheran Association, Conference of Bishops, Church Council and ecumenical partners;

To encourage synod leaders to initiate and/or continue local efforts to strengthen and expand partnerships with Historic Black Churches in consultation with synod bishops, synod leaders of the African Descent Lutheran Association and synod members of the Lutheran Ecumenical and Inter-Religious Representatives Network; and

To encourage congregations to initiate and/or continue their efforts to strengthen and expand partnerships with Historic Black Churches.

#### *Response from Office of the Presiding Bishop (November 2016)*

Ecumenical and Inter-Religious Relations in the Office of the Presiding Bishop has carried out follow-up work with AME Zion partners following the Churchwide Assembly with the senior bishop, with the episcopal district bishops, and with the general officers who were present in New Orleans. This work has included sharing our gratitude for our partnership and the presence of these leaders, and affirming our desire for next steps. Further relationship-building between our bishops, building upon the 2010 Statement of Mission, will be important work.

Our office has also met with the new President of the AME Council of Bishops, Bishops John White, at his office in Chicago to explore next steps in re-engaging our bilateral partnership. Information about the discourse from the 1990s and early 2000s is being prepared and will be shared with the president, and the new Ecumenical Bishop Frank Reid III. Bishop Eaton has invited both Bishop White and Bishop Reid to participate in a joint AME-ELCA Epiphany service with the Conference of Bishops' Academy in Charleston, in January 2017.

Our office has also confirmed our commitment to participate in the second annual cross-racial dialogue to be hosted by the Conference of National Black Churches in December 2016.

We have continued to deepen our relationships with the Historic Black Churches at several ecumenical tables, especially those where we partner on racial justice and reconciliation namely: Churches Uniting in Christ (recognition of ministries/racial justice), the National Council of Churches USA (mass incarceration), the World Council of Churches (living letters delegation on racism), and Christian Churches Together in the USA (racial justice and poverty).

These various streams of our ELCA strategy are a continuation of ongoing work.

In response to recent racial tensions and protests in Charlotte following the shooting death of Keith Scott, Churchwide staff for racial justice and ethnic specific ministries partnered with the North Carolina Synod and its bishop and local ELCA and ecumenical leadership, including the synod's African Descent Strategy Team and AME Zion partners in North Carolina to host a day of conversation, presence in the community, and prayer in early October.

Before the spring 2017 Church Council meeting, Kathryn Lohre will convene a conversation with these colleagues in order to strengthen our work and partnerships:

- Program Director, Racial Justice
- Director, Ethnic Specific & Multicultural Ministries

- President, African Descent Lutheran Association
- Chair, Conference of Bishops' Ecumenical & Inter-Religious Liaison Committee
- Church Council liaison

This initial meeting should include consideration for the history and current state of existing bilateral relations and coalition work. It should focus new energy on strengthening partnerships between ecumenical and inter-religious relations and the African Descent Lutheran Association leadership. It should give attention to identifying or developing resources that might be shared with synod bishops in order to encourage the actions related to synod leaders and congregations.

**CC ACTION** [EN BLOC]

**Recommended:**

**To receive with gratitude the response from the Office of the Presiding Bishop regarding the relationship-building already underway to deepen relationships with Historic Black Churches; and**

**To request a report to the April 2018 Church Council meeting on the development of a strategy to further this goal.**

**2. Toward a Responsible Energy Future**

*Churchwide Assembly Action [CA16.06.30]*

To receive with gratitude the memorials of the Saint Paul Area, Metropolitan New York, Northeastern Pennsylvania, Upper Susquehanna and Northwestern Pennsylvania synods related to climate change and fossil fuels;

To urge all ELCA members, congregations and synods to inform and educate themselves about the effects of climate change through the lens of the "Caring for Creation: Vision, Hope and Justice" social statement, and to advocate for policies that reduce energy use and our dependence on fossil fuels and encourage development of renewable energy sources as an expression of our commitment to address climate change and caring for God's creation;

To affirm the action of the 2013 Churchwide Assembly and subsequent action of the Church Council in 2014 related to the development of revised or additional investment screens on fossil fuels, and to support and commend ELCA members, congregations, synods, the churchwide organization, and related institutions and agencies such as ELCA Endowment Fund and Portico Benefit Services for their leadership efforts to invest in companies that are taking steps toward a sustainable environment;

To affirm Portico's balanced approach to supporting this church's principles and directives as stated in the social statements — including the commitment to help transition to an economy less dependent on fossil fuels. That approach has included:

1. shareholder advocacy (filing and supporting resolutions on environmental issues, including 150 resolutions in 2015),
2. focused investment screening, which has identified 113 companies screened for environmental reasons, and
3. ramping up positive social investments, such as investments in companies that develop solar, wind and water power generation systems, repurposing waste products and reducing toxic emissions; and now

To call upon Portico to evaluate the viability of an optional fossil -free fund for retirement plan participants;

To call upon the ELCA to heed the call of the Lutheran World Federation Council in 2015 to member churches "not to invest in fossil fuels and to support energy efficiency and renewable energy companies, and to encourage their institutions and individual members to do likewise";

As part of this church's response to the Lutheran World Federation's call, to request that the ELCA churchwide organization review the ELCA's applicable social teachings and Corporate Social Responsibility

policies and procedures, with the goal of not investing in, and removing the largest fossil fuel companies as identified by Carbon Tracker, and investing in corporations which are taking positive steps toward a sustainable environment;

To support the ELCA network of affiliated social ministry organizations with programs to address unemployment caused by changing patterns of fossil fuel use, to advocate for retraining workers — especially for renewable energy jobs, to advocate for programs that will support those in transition, and to encourage congregations and ministries to address the resulting unemployment and poverty; and

To urge ELCA members, congregations and synods to set measurable goals to reduce their consumption of fossil fuels and improve their stewardship of energy resources, transition to renewable energy sources and promote care for God's creation.

*Response from the Corporate Social Responsibility Review Team (November 2016)*

At the request of the 2013 Churchwide Assembly the CSR review team during the years of 2014 and 2015, explored the ELCA social criteria environmental screen and the issue papers on the environment and climate change. All of the documents were updated and the environmental screen added the language "certain fossil fuel companies" in the definition of the problem which was approved by Church Council in November 2014. The [issue papers](#) were revised in November 2015. Since that time the Lutheran World Federation's call has been issued.

It is proposed that the CSR review team will do the following:

1. Review the relevant social teachings of the ELCA with assistance from the Theological Discernment Team.
2. Seek input from Lutheran World Federation as to the steps that organization has taken, plans to take and feedback received since adoption of the resolution.
3. Review the CSR policies and procedures to examine the best steps forward.
4. Review the status of 'Carbon Tracker' as an appropriate tool for identifying the largest fossil fuel companies, aided by Portico.
5. Take into consideration the Social Impact First investment program of Portico in light of the request for positive investments.
6. Seek input from partners such as Ceres and other research groups for additional information on assessing corporation's positive steps toward a sustainable environment which might be named as positive investments.
7. Seek input from the Endowment Fund, Mission Investment Fund, and Portico to discern the feasibility of this goal and the impact on their work.

The CSR review team will meet regularly during 2017 to review the information discovered in the steps above and prepare an interim report for Church Council in November 2017. When this is completed, the CSR review team will meet to analyze and synthesize what has been discovered with the intention of presenting a brief report and recommendation to Church Council by April of 2018 with final work expected to be completed by November 2018.

**CC ACTION [EN BLOC]**

**Recommended:**

**To receive the response from the CSR review team on the timeline; and  
To anticipate interim reports in November 2017 and April 2018 with a final report by the November 2018 Church Council meeting.**

### **3. Increase Funding for Suicide Prevention Research**

#### *Churchwide Assembly Action [CA16.02.03h]*

To receive with gratitude the memorial of the Southeastern Synod regarding increased funding for suicide prevention research;

To affirm the commitment of the Evangelical Lutheran Church in America in its social message on “Suicide Prevention” to call upon this church to advocate for efforts to prevent suicide;

To request that the presiding bishop communicate to the U.S. President and members of Congress the support of the ELCA for doubling, over five years, the federal funding to the National Institutes of Health for suicide prevention research; and

To encourage ELCA synods, congregations, members and the ELCA Advocacy Office in Washington, D.C., to add their voices in support of such action.

#### *Response from the Domestic Mission Unit (November 2016)*

ELCA Advocacy has taken the lead for the Domestic Mission Unit by consulting with the authors of the memorial to discuss the scope of work and opportunities for engagement. Advocacy staff are reaching out to the National Foundation for Suicide Prevention in Washington, DC to examine coalition engagement and funding priorities in the 115<sup>th</sup> Congress that begins January 2017. Presiding Bishop Elizabeth Eaton will be communicating the intent of the memorial to the Administration and members of Congress in consultation with the advocacy staff for the most effective timing. The authors of the memorial, in collaboration with ELCA Advocacy, are currently compiling a list of existing ELCA suicide prevention stakeholders to update for their website to support advocacy efforts of congregations and members. A final report will be made in November 2017 following activity in the 115<sup>th</sup> Congress and engagement with the relevant congressional committees and leaders.

#### **CC ACTION** [EN BLOC]

##### **Recommended:**

**To receive the response from the Domestic Mission unit on the timeline and to request a report be received by the November 2017 Church Council meeting.**

### **4. Welcoming Refugees**

#### *Churchwide Assembly Action [CA16.05.18]*

To receive with gratitude the memorials of the Eastern Washington-Idaho, Metropolitan New York, Northwestern Pennsylvania and Southeastern synods regarding refugee resettlement;

To reaffirm the work of ELCA leaders and Lutheran Immigration and Refugee Service in working to welcome refugees from across the globe;

To support bishops, pastors and other Lutheran leaders as they continue to call on members of Congress and state legislators to open their hearts to the suffering of refugees around the world and support legislative actions to welcome these newcomers to new communities;

To request that the presiding bishop communicate this church’s commitment for the resettlement of refugees in the United States and encourage steadfast support for this program to the U.S. President and members of Congress;

To encourage and support all Lutherans in welcoming refugees by building awareness, volunteering, hosting refugees, speaking out against hate, advocating for a more generous U.S. response and observing Refugee Sunday, and to open up congregations, seminaries and all able Lutheran organizations to help house refugees; and

To request that units of the churchwide organization, in cooperation with Lutheran Immigration and Refugee Service, provide easy access to resource materials for congregations to learn about and take part in ministries with refugees.

*Response from Domestic Mission, Global Mission and Mission Advancement units (November 2016)*

Presiding Bishop Elizabeth Eaton [issued a statement](#), accompanied by a press release, on November 19, 2015 restating this church's commitment to supporting the resettlement of refugees in the United States. The statement specifically encourages members of our church to call upon elected officials to welcome refugees and provides a link to a relevant action alert by Lutheran Immigration and Refugee Service (LIRS). To bring light to the plight of refugees internationally, Bishop Eaton visited Syrian refugees at the Lutheran World Federation (LWF) Peace Oasis in the Zaatari refugee camp, Jordan. This visit was [highlighted in Living Lutheran](#) on January 25, 2016. All relevant units within the churchwide organization, working together with partners such as LIRS and LWF, continue to be committed to finding spaces where the Presiding Bishop's voice is crucial to bring attention to and support of refugees and their resettlement in the U.S.

The Domestic Mission, Global Mission and Mission Advancement units, together with LIRS, are discerning the best way to provide easy access to resource materials for congregations to support refugees and their resettlement. Today, information about how the ELCA accompanies refugees abroad can be found in the [Lutheran Disaster Response "Our Impact" page](#). More information can also be found in the [ELCA Advocacy](#), and [AMMPARO](#) pages. Information about refugee resettlement can be found through [LIRS](#). Congregations can find information about what they can do by going to [www.lirs.org/act](http://www.lirs.org/act).

**CC ACTION** [EN BLOC]

**Recommended:**

- To receive the response from the Domestic Mission unit;**
- To encourage the Domestic Mission, Global Mission and Mission Advancement units to seek ways to promote easy access to refugee resettlement resources; and**
- To commend the presiding bishop for speaking out on this church's commitment to resettling refugees; and**
- To encourage others to join the presiding bishop in continuing to express this church's commitment to this task.**

**5. Gun Violence Prevention**

*Churchwide Assembly Action [CA16.02.03]*

To receive with gratitude the memorials of the Saint Paul Area and the Upper Susquehanna synods concerning legislation on background checks and gun violence;

To reaffirm this church's commitment to addressing the broad issues of violence in society through worship, education, service, advocacy and ongoing moral deliberation as called for in the 1994 social message on "Community Violence" and the 2013 Conference of Bishops' Pastoral Letter on Violence;

To reaffirm that ELCA social policy does not reject gun ownership or the recreational activities associated with guns as morally wrong;

To encourage bishops, pastors and Lutheran leaders to communicate with members of Congress and state legislators this church's long-standing support for managing gun purchases, such as background checks for all gun sales including private sales;

To urge bishops, pastors and Lutheran leaders to communicate to members of Congress and state legislators this church's sense of urgency for the renewal or replacement of the Federal Assault Weapons Ban

(expired in 2004), including a definition of assault weapons comparable to that in the renewal attempt of the Assault Weapons Ban bill of 2013; and

To refer to the Church Council, in consultation with staff of the churchwide organization, consideration of the request for establishing an ELCA task force to organize actions consistent with ELCA policy that addresses gun violence prevention.

*Response from the Domestic Mission Unit (November 2016)*

The Domestic Mission Unit addresses gun violence in a manner consistent with ELCA Social Policy through the education and advocacy work of ELCA Advocacy in the Washington DC office and state advocacy ministries. For example, on July 8, 2016, ELCA Advocacy invited its network to take action through an alert on [Gun Violence](#) urging Congress to take action on gun safety. This action was in response to a call from Presiding Bishop Elizabeth Eaton to ELCA ministries and members to be present in their communities in the wake of violence.

Presiding Bishop Eaton will be working with the Public Policy Procedures Group (PPPG), which includes ELCA Advocacy staff and other colleagues, to determine the most effective timeline for communicating with members of Congress regarding “this church’s sense of urgency for the renewal or replacement of the Federal Assault Weapons Ban, including a definition of assault weapons comparable to that in the renewal attempt of the Assault Weapons Ban bill of 2013.” This letter will also state “this church’s long-standing support for managing gun purchases, such as background checks for all gun sales including private sales.” Often when such a letter is sent, it is followed up with an ELCA Advocacy alert to its network to encourage others to write their own letters to members of Congress and state legislators.

The hope is that this work can be completed before the end of the 2016-2017 legislative session. This letter may also be timed with the work of state advocacy ministries, such as Faith Action Network, the ELCA advocacy ministry in Washington state, in their work to pass gun safety legislation (Extreme Risk Protection Order and Safe Gun Storage). The churchwide organization does not at this time have financial resources to devote to the work of a national task force “to organize actions consistent with ELCA policy that addresses gun violence prevention.”

**CC ACTION [EN BLOC]**

**Recommended:**

- To receive the response from the Domestic Mission unit;**
- To decline to establish an ELCA task force addressing gun violence prevention;**
- To commend the ongoing efforts of the ELCA Advocacy in addressing gun violence in a manner congruent with this church’s social teaching documents; and**
- To request a follow-up report be provided to the April 2018 Church Council meeting.**

**6. Peace with Justice in the Holy Land**

*Churchwide Assembly Action [CA16.05.15]*

To receive with gratitude the memorials of the Northwest Washington, Sierra Pacific, Southwest California, Rocky Mountain, Minneapolis Area, Southwestern Texas, Southeastern Iowa, South-Central Wisconsin, Southeast Michigan, Indiana-Kentucky, Metropolitan New York, Northeastern Pennsylvania, Upper Susquehanna and West Virginia-Western Maryland synods related to Israel and Palestine;

To reaffirm the commitment of this church to:

1. Continue its awareness-building, accompaniment, and advocacy on behalf of a peaceful resolution of the conflict between Israel and Palestine;
2. Take steps to assist the Evangelical Lutheran Church in Jordan and the Holy Land (ELCJHL) and other Christians in sustaining their endangered presence in the Holy Land;

3. Promote the economic empowerment of Palestinians, including investment in Palestinian projects and businesses;
4. Promote the protection of the human rights of Palestinians and Israelis and oppose all violence and actions which discriminate against or deny any people their basic freedom, dignity or human rights;
5. Embrace the principles of restorative justice as part of the ELCA's advocacy and engagement for the just resolution of the Israeli-Palestinian conflict and actively seek ways to support Palestinians and Israelis engaging in restorative justice dialogue and other projects; and
6. Continue to pray for the ELCJHL and the work of The Lutheran World Federation Jerusalem program;

To encourage this church's members, congregations, synods, and agencies as well as the presiding bishop to call on the U.S. President, in coordination with the United Nations Security Council, to offer a new, comprehensive and time-bound agreement to the governments of Israel and Palestine, resulting in a negotiated final status agreement between Israel and Palestine leading to two viable and secure states with a shared Jerusalem;

To urge this church's members, congregations, synods, agencies and presiding bishop to call on their U.S. Representatives, Senators and the Administration to take action requiring that, to continue receiving U.S. financial and military aid, Israel must comply with internationally recognized human rights standards as specified in existing U.S. law, stop settlement building and the expansion of existing settlements in East Jerusalem and the West Bank, end its occupation of Palestinian territory, and enable an independent Palestinian state; and

To encourage this church's members, congregations, synods, and agencies to call on the U.S. President to recognize the State of Palestine and not prevent the application of the State of Palestine for full membership in the United Nations.

*Response from Office of the Presiding Bishop (November 2016)*

The churchwide organization's communication with this church's members and congregations regarding Israel and Palestine matters are handled through our Peace Not Walls network. Ecumenical and Inter-Religious Relations in the Office of the Presiding Bishop has provided communication and interpretation of the 2016 Churchwide Assembly's actions with inter-religious partners, as foundational work in support of communications within and beyond this church. Concerning the three requests for communications to the President and Congress, we intend to monitor political developments closely in order to discern the most propitious time for such communications, but we will wait at least until after the election season is completed. We expect to provide a response to the memorial by the November 2017 Church Council meeting.

**CC ACTION** [EN BLOC]

**Recommended:**

**To receive the response from the Office of the Presiding Bishop and to request a report be provided by the November 2017 Church Council meeting.**

**7. Justice for the Holy Land Through Responsible Investment**

*Churchwide Assembly Action [CA16.06.31]*

To receive with gratitude the memorials from the Sierra Pacific, Southwest California, Metropolitan New York and the Delaware-Maryland synods regarding Justice for the Holy Land through Responsible Investment;

To reaffirm the actions of the 2005, 2007, 2011 and 2013 Churchwide Assemblies regarding responsible investment in Israel-Palestine;



To direct the ELCA's Corporate Social Responsibility review team to develop a human rights social criteria investment screen based on the social teachings of this church and, in the case of Israel and Palestine, specifically based on the concerns raised in the ELCA Middle East Strategy;

To encourage ELCA members, congregations, synods, agencies and institutions to increase positive investment in Palestine and other under-resourced areas where human rights abuses materially impact the well-being of all people; and

To encourage ELCA members, congregations, synods, agencies and institutions to engage in shareholder advocacy in support of human rights, exercising the right of a shareholder to submit resolutions at a corporation's annual meeting.

*Response from the Corporate Social Responsibility Review Team (November 2016)*

In order to meet the call of this memorial, an initial survey of the social teachings of this church indicates that it would be useful to write a social message on human rights to underpin the development of a general human rights screen as requested. It is expected this message could be prepared and sent to Church Council by November 2017. At that point the Corporate Social Responsibility (CSR) review team will follow the protocol for developing a new screen as outlined in the [Policies and Procedure for the Development of Social Criteria Investment Screens](#).

The initial screen development process is projected for the fall and winter of 2017. Some specific work that will be needed includes:

1. Review the relevant social teachings of the ELCA with assistance from the Theological Discernment Team.
2. Additional input along the way from the Peace Not Walls team as well as the Ecumenical and Inter-Religious Relations team.
3. Review of the scope and prioritization of human rights issues/violations which might be covered in such a screen.
4. Receive input from the Endowment Fund, Mission Investment Fund, and Portico regarding any concerns and impact on their work.

This screen development process will be followed by a first draft for review by Church Council in April of 2018. Revisions and additional input will be incorporated and the screen is projected to come for final action to the Church Council in the fall of 2018. The extended time frame for development allows for multiple consultations due to the sensitive nature of the subject.

Due to the urgency of this matter, we acknowledge that prioritizing this work will require that other work assigned to the CSR review team and the Theological Discernment team will need to be reprioritized.

**CC ACTION [EN BLOC]**

**Recommended:**

**To receive the response from the Corporate Social Responsibility review team on the timeline;**

**To request the development of a social message on human rights, noting that this takes priority over work of developing other social messages;**

**To acknowledge the development of a general human rights social criteria investment screen will be postponed until the approval of the human rights social message;**

**To acknowledge that this ongoing work may delay other work assigned to the CSR review team and Theological Discernment team; and**

**To request periodic reports on the progress of implementing the intentions of the memorial.**

**8. Urging Stewardship of the Gift of Water (Motion C)**

*Churchwide Assembly Action [CA16.05.26]*

To adopt Motion C.

RESOLVED, that the ELCA, in Assembly, requests the Church Council to direct the appropriate churchwide unit to provide every active rostered leader with resources to locate each congregation within its watershed district, so that waters may be named and known in worship and intercessory prayers, and that theological and biblical themes may build awareness, care and thanksgiving for the gift of these waters; and let it be further

RESOLVED, that the ELCA, in Assembly, requests the Church Council to direct the appropriate churchwide unit to provide resources to congregations and individual members to encourage and support conservation and prayerful stewardship of water resources; and let it be further

RESOLVED, that the ELCA, in Assembly, requests the Church Council to direct the appropriate churchwide unit to continue to develop strategies and provide resources to support areas struggling with natural or human-caused disasters that impact access to clean water, such as water contamination, drought and floods, with an awareness that the impact of our environmental actions have disproportionate implication for communities of color with lower incomes; and let it be further

RESOLVED, that the ELCA, in Assembly, encourages congregations to plan events outside their doors and within their watersheds, utilizing the many biblical themes of renewal and liberation that water affords.

*Response from Domestic Mission Unit (November 2016)*

ELCA Advocacy has developed and will disseminate a watershed identification resource that one can use to locate a watershed by using a zip code, so that the waters may be named and known in worship and intercessory prayer. ELCA Advocacy will address the need for congregational resources by making available World Council of Churches resources such as the [Water of Life](#) brochure, which concentrates on the important role of community-based initiatives and the right to water; Creation Justice Ministries' [The Water Stewardship: A Toolkit for Congregational Care of Local Watersheds](#); the United States Environmental Protection Agency (USEPA) [Watersense Partnership Program](#) that promotes the value of water efficiency and provides consumers with easy ways to save water, and addresses also how the average person can [actively conserve water](#) and promotes water conservation among children at [USEPA WaterSense for Kids](#).

Through Lutheran Disaster Response (LDR), the ELCA addresses immediate and long-term needs in the wake of natural and human-caused disasters, including flood relief. LDR-International sent emergency funds to respond to draught in Malawi, Madagascar and Ethiopia in 2016. LDR will contribute to build up community resilience through distribution of "smart seeds" better adapted to climate change, income generating schemes (cash program), and climate smart agriculture. LDR also plans to promote and support water self-supply – a family or a small group typically relies on low-cost technologies to collect shallow groundwater or rainwater to build appropriate water sources and community response plans for future emergency situations. LDR can provide special funds for a construction of new boreholes and rainwater harvesting systems to alleviate the scarcity of water in the long term. LDR also plans to provide a special training on water treatment, purification, and maintenance of the boreholes.

ELCA World Hunger continues to coordinate a response to lead-tainted water in Flint, Michigan by providing immediate relief through emergency food and water and long-term accompaniment through support for local ministries building resilience during the recovery period. This includes attention to the role of environmental racism and vulnerability of communities of color in environmental disasters. ELCA World Hunger offers tools for learning and acting on water issues, including Walk for Water and a [Water brochure](#).

ELCA Advocacy will monitor legislation and offer advocacy opportunities to shape policy that addresses water safety in Flint and nationally. ELCA Advocacy will lift up World Water Day on March 22 as an opportunity for education and action, utilizing resources such as the Creation Justice Ministries [Toolkit for Events on World Water Day](#). The Toolkit includes: sermon starters; study resources for youth and adults; and Call to Action (Call) for people of faith to respond to the global water crisis. Lutherans will be invited to attend the Trinity Institute for a Water Justice Conference from March 22-24, 2017, to focus on developing a deeper appreciation for water as a sacred gift; exploring the relationship between water issues and climate change and address how churches can be agents of change.

**CC ACTION** [EN BLOC]

**Recommended:**

**To receive the report from the Domestic Mission unit; and**

**To affirm the work of ELCA Advocacy to:**

- **provide watershed identification resources in order that congregations can use it to locate a watershed by using a zip code, so that the waters may be named and known in worship and intercessory prayer;**
- **provide resources to congregations and individual members to encourage and support conservation and prayerful stewardship of water resources;**
- **continue to develop strategies and provide resources to support areas struggling with natural or human-caused disasters that impact access to clean water, such as water contamination, drought and floods, with an awareness that the impact of our environmental actions have disproportionate implication for communities of color with lower incomes.**

**9. Gender Identity**

*Churchwide Assembly Action [CA16.02.03q]*

To receive with gratitude the memorial of the Sierra Pacific Synod regarding gender identity;

To refer this memorial to the Church Council for study of gender identity;

To ask the Church Council, the Office of the Presiding Bishop and the Office of the Secretary to review existing definitions and policies in light of the council's study; and

To report to the 2019 Churchwide Assembly of the ELCA actions and proposals for additional actions as may be required.

*Response from Office of the Secretary (November 2016)*

The Office of the Secretary will be working with the Theological Discernment in the Office of the Presiding Bishop to recommend how the council might engage this study process. The hope is that this will start by Spring 2017.

**CC ACTION** [EN BLOC]

**Recommended:**

**To receive the response from the Office of the Secretary and to anticipate a progress report by the November 2017 Church Council meeting.**

## 10. Gender Identity (Motion D)

*Churchwide Assembly Action [CA16.05.27]*

To refer Motion D: Resolution on Gender Identity to the Church Council and that the Church Council use the resolution to help inform the study of gender identity and the review of existing ELCA definitions and policies regarding gender identity as referenced in the above approved Memorial, and urge all three expressions of our church, whenever possible, and when not otherwise guided by current constitution and/or policy, consider using event registration and other forms that:

1. Include additional options for gender, for transgender, non-binary and/or gender non-conforming people;
2. When asking for a person's personal information, include asking for the person's pronouns; and
3. When asking for a person's honorific or title, include a gender neutral option.

*Response from Office of the Secretary (November 2016)*

The Office of the Secretary recommends weaving in the intentions of this resolution to help inform the study of gender identity that will be underway with the Theological Discernment in the Office of the Presiding Bishop.

### **CC ACTION [EN BLOC]**

#### **Recommended:**

**To incorporate the intentions of Motion D into the gender identity study process; and  
To acknowledge that the action of the Church Council regarding the Gender Identity memorial will be the response to this resolution.**

## 11. Compensation for the Council Vice President (Motion E)

*Churchwide Assembly Action [CA16.06.34]*

RESOLVED, that the Churchwide Assembly requests the Church Council study the removal of constitutional bylaw 13.32.02., which prohibits compensation for the vice president except for reimbursements; and be it further

RESOLVED, that the Churchwide Assembly requests the Church Council study compensation or reimbursement for child or elder care and salary or stipend for service related to the duties of the vice president; and be it further

RESOLVED, that the Church Council bring a report and recommendation to the 2019 Churchwide Assembly.

*Response from Office of the Secretary (November 2016)*

The Office of the Secretary will be working with Research and Evaluation in the Office of the Presiding Bishop to recommend how the council might engage this study process. The hope is that this will start in Spring 2017.

### **CC ACTION [EN BLOC]**

#### **Recommended:**

**To receive the response from the Office of the Secretary and to anticipate a progress report by the November 2017 Church Council meeting.**

## **12. Time of Prayer and Worship Resources on Human Trafficking**

### *Churchwide Assembly Action [CA16.02.03k]*

To receive with gratitude the memorials of the Northwest Synod of Wisconsin, East-Central Synod of Wisconsin and La Crosse Area Synod calling for a dedicated time of prayer to end human trafficking and to create resources to support congregations in this endeavor;

To encourage congregations to incorporate attention to the issue of human trafficking in their communication and resource development plan, and to foster ecumenical and inter-religious cooperation, including dedicated times of prayer each year, such as January 11, Human Trafficking Awareness Day; and

To refer to the worship team within the Office of the Presiding Bishop for its deliberation and discretion the creation of worship resources surrounding the issue of human trafficking and the creation of prayers and litanies for the dedication time of prayer.

### *Response from Office of the Presiding Bishop (November 2016)*

In early November, the Worship Team in the Office of the Presiding Bishop will be meeting with colleagues in Global Mission, Domestic Mission, Theological Discernment team and Women of the ELCA to discuss the creation of worship resources regarding human trafficking. We intend to provide a report on the activities by the end of 2017.

### **CC ACTION [EN BLOC]**

#### **Recommended:**

**To receive the response from the Office of the Presiding Bishop and to anticipate a report by the November 2017 Church Council meeting.**

## **13. Examining the Opportunities and Implications of Campaign Zero, a policy platform in affirmation of Black Lives Matter**

### *Churchwide Assembly Action [CA16.02.03d]*

To receive with gratitude the memorials of the Greater Milwaukee and Northwest Washington synods in affirmation of Black Lives Matter; and

To refer to the Domestic Mission unit through the African Descent Ministries Desk, in partnership with the African Descent Lutheran Association, consideration of the request to examine the opportunities and implications of Campaign Zero's initiatives and actions and request a report and possible recommendations be provided to the Church Council.

### *Response from Domestic Mission unit (November 2016)*

Over the next six months, the African Descent Ministries, Program Director for Racial Justice, Director for Advocacy, ELCA Advocacy office, Program Director for Domestic Policy, ELCA Advocacy office and the African Descent Lutheran Association, will consider the opportunities for engaging, education and encouraging advocacy in alignment with the 10-point policy solutions outlined in Campaign Zero. A full report will be prepared for the April 2017 Church Council meeting.

### **CC ACTION [EN BLOC]**

#### **Recommended:**

**To receive the response from the Domestic Mission unit and to anticipate a report by the April 2017 Church Council meeting.**

#### **14. Supporting Military Personnel, Veterans and their Families**

##### *Churchwide Assembly Action [CA16.06.33]*

To receive with gratitude, the memorials of Eastern Washington-Idaho, Pacifica, Southeastern Minnesota, Southwestern Texas, East-Central Wisconsin, Southern Ohio, Northwestern Pennsylvania, Allegheny, Metropolitan Washington, D.C., West Virginia-Western Maryland and Southeastern synods regarding their interest and vision for ministry affirming those called to military service, veterans, their families and this church's support for chaplaincy ministries;

To recognize with gratitude ELCA members, congregations, agencies and institutions which have initiated creative ministry and mission engaging members of the military, veterans, ELCA chaplains and their families;

To encourage congregations, agencies, families and individuals to assist those considering military service and those continuing in service through moral discernment and vocational guidance concerning the life-changing decisions they must make involving justice, service and the ethical application of force;

To direct the Office of the Presiding Bishop to establish a Sunday of prayer and action near Veterans Day each year to unite this church in prayer and encourage assistance for military members, veterans, ELCA chaplains and families;

To encourage ELCA members, congregations and synods to offer care and support for returning veterans;

To encourage congregations to seek out incarcerated veterans to thank them for their service and to help them access veterans' benefits so that they might have a more successful transition upon release;

To affirm the publication of the Prayer Book for the Armed Services and to encourage congregations to present gift copies to veterans, military personnel and chaplains;

To encourage synod bishops, candidacy committees, congregations and seminaries to make known the need for ordained pastors to serve as chaplains in the military, Veterans Affairs hospitals, federal corrections and other chaplaincies;

To urge ELCA members and congregations to contribute to the ELCA Federal Chaplaincy Ministries Fund for Leaders Scholarship to attract the next generation of chaplains; and

To encourage ELCA seminaries, colleges and universities to integrate practicing chaplains to teach about specialized ministries, preach in chapel, and foster awareness and consideration of a call to chaplaincy ministry.

##### *Response from Office of the Presiding Bishop (November 2016)*

The assembly action grew out of fourteen synods passing resolutions addressing this topic. This action was adopted at the 2016 Churchwide Assembly as a unanimous vote of the assembly. The follow-up is assigned to Office of the Presiding Bishop with the Assistant to the Presiding Bishop for Federal Chaplaincy taking the lead.

ELCA Federal Chaplaincy Ministries launched and is sustaining a voluntary network of individuals implementing initiatives to support military personnel, veterans and their families called, "Centurion Connections," based on Biblical accounts of Jesus and other New Testament encounters with soldiers by Jesus and the apostles (see Mark 15:39, Matthew 8:8, Acts 10:1-8).

Below are updates and recommended next steps.

Church Council pray for and celebrate initiatives of the "Centurion Connections" volunteers. As a starting point, twenty-three synods have an identified contact for "Centurion Connections." Four other synods expressed interest. These initiatives proceed only with the awareness and support of the synod bishops. Expand "Centurion Connections" to every synod.

In keeping with directions from the assembly action, staff work has been completed to support the presiding bishop designating the Sunday closest to Veterans Day as an opportunity to unite the ELCA in prayer and action in support of military personnel, veterans and their families.

The fall 2016 issue of "[Seeds for the Parish](#)" (page 6) provides information and ideas to aid rostered ministers and congregations planning worship and activities.



The volunteer network (“Centurion Connections”) has developed and actively maintains a single website as a help to congregations and synods, providing prayer forms, children’s sermon and program ideas: <http://elcachaps.com>.

Three pilot synods (Southern Ohio, South Carolina and West Virginia-Western Maryland) have a formal, collaborative initiative with the Department of Veterans Affairs (VA) Community Clergy Training Program (CCTP). CCTP fosters interfaith, ecumenical support of veteran ministries. The Federal Chaplaincy Ministries (FCM) Advisory Committee, appointed by the presiding bishop, inaugurated a new ELCA Fund for Leaders Chaplaincy Scholarship Endowment. Through the “quiet” phase of the campaign, over \$87,000 has been given by the chaplain community and select individual and congregational supporters. In December 2017, Bishop Emeritus Murray Finck will lead a Development Team to maximize the expansion of the Chaplaincy Scholarship to support seminary students open to serving in federal chaplaincy ministries.

Through a sustained, structured and nearly completely voluntary network focused on congregations and synods, the Office of the Presiding Bishop, Bureau for Federal Chaplaincy Ministries will implement all eight recommendations of the assembly action.

### **CC ACTION [EN BLOC]**

#### **Recommended:**

**To receive with gratitude the response of the Office of the Presiding Bishop in supporting military personnel, veterans and their families;**

**To pray for and celebrate initiatives of the “Centurion Connections” volunteers;**

**To thank the ELCA Federal Chaplaincy staff and the presiding bishop for its work in designating a Sunday near Veterans Day for prayer and action and to commend this time as an opportunity to unite the ELCA in support of military personnel, veterans and their families; and**

**To commend the churchwide staff, synods, congregations and volunteers for its continued efforts to implement the assembly action.**

## **15. Call to Discernment on U.S. Foreign and Military Policy**

### *Churchwide Assembly Action [CA16.06.32]*

To receive with gratitude the memorial of the Minneapolis Area Synod regarding its call for the ELCA to study, reflect, search and act in light of ongoing and widening war efforts;

To recognize with gratitude the efforts of the current and previous presiding bishops, the Church Council, synod bishops, clergy and the laity to engage as responsible citizens living out the baptismal calling;

To issue a call for congregations to engage in prayer, Scripture-study and communal reading of the teaching resources of this church, particularly “Church in Society: A Lutheran Perspective,” “For Peace in God’s World” and “Talking Together as Christians about Tough Social Issues”;

To invite this church to a particular time of prayer and communal discernment over the next three years to promote robust examination of the consequences of expanded US war efforts since 1990. To refer to the Church Council to formulate the next steps, including any budgetary implications. To encourage the Office of the Presiding Bishop to consider dialogue with Called Forward Together in Christ, Declaration on the Way and other ecumenical partners in planning this initiative, including inviting, scholars whose work focuses in these areas, activists, seminaries, colleges/universities, synods, VA and other federal chaplains. We especially hope to include those whose lives are most impacted by these developments in the United States and world.

Topics of inquiry could include:

- The impact on well-being of all military personnel and veterans: active, reserve, retired, and national guard, contractors, affiliates, and their families:

- Chronic disabilities and loss (including chemical dependencies and brain injury),
- Collateral involvement with criminal justice system,
- Diminished lives and early deaths of veterans and their families from toxins, PTSD symptoms, and violence,
- Moral injury,
- Character and skill development, and

Broader societal impacts, such as:

- Climate change and global pollution load,
- Changes in policing practices,
- Engagement with and prejudice against neighbor Muslims,
- Policy decisions due to commercial motivations for the proliferation of arms,
- Social needs met and unmet due to prioritizing public spending on expanding war efforts;

with Church Council to recommend next steps by April 2017; and

To direct the presiding bishop to communicate this church's time of prayer and discernment to the U.S. President and members of Congress and to encourage ELCA members in this election season of 2016 to communicate the same to candidates for federal office.

*Response from Office of the Presiding Bishop (November 2016)*

The Office of the Presiding Bishop with the Assistant to the Presiding Bishop for Federal Chaplaincy is taking the lead. The Office of the Presiding Bishop will continue its work in consultation with Domestic Mission, Office of the Treasurer and other colleagues in the Office of the Presiding Bishop.

ELCA Advocacy issued an [Advocacy Alert](#) calling the ELCA to prayer and action regarding broadening war efforts. Below are the recommended next steps:

- Church Council identifies two members of the council to serve as advisors on behalf of the Church Council to Federal Chaplaincy in developing recommended next steps before the April 2017 meeting.
- Federal Chaplaincy requests input for possible ELCA colleagues, ecumenical partners and interfaith representatives, synod leaders, scholars, academics, government service providers and non-government social service representatives who may be interested in participating in a day-long convening to address selected issues from the memorial.
- Budget Planning develop costs for a temporary staff position for one day per week administrative support from January through June 2018 to initiate contact with potential participants, arrange details at the Lutheran Center for a one-day "round table" with up to 40 participants (including facilitating lodging, local transportation, meals and support services).
- Federal Chaplaincy, along with two members of the ELCA Church Council, plan and present recommended next steps at the April 2017 meeting of the Church Council.

Proposed Outcome: ELCA serves as a convener for faith communities, academics, government and faith-based social service agencies to advance reflection on war and its consequences. ELCA Federal Chaplaincy synchronizes a one-day "round table" with interested participants to be held at the Lutheran Center in conjunction with the 2018 ELCA Federal Chaplains Education and Training event (likely June 18 or July 16 or 23, 2018). The result and outcome will be a "Report on a Day of Discernment." The purpose of the report is to provide a concrete outcome to be read and shared with others as well as a potential guide for underpinning further action.

*NOTE: Participants will be invited to attend and join in the "round table" at their own expense. In addition to the estimated 40 participants for the "round table," the program will be open to ELCA federal chaplains (military, VA and Bureau of Prisons) attending the annual Chaplains Education and Training event.*



**CC ACTION** [EN BLOC]

**Recommended:**

**To receive the response from the Office of the Presiding Bishop on a proposed timeline and outcome to the initiative;**

**To authorize the Executive Committee to identify two people from the Church Council to serve as advisors with Federal Chaplaincy on developing next steps; and**

**To anticipate a progress report with possible recommendations by the April 2017 Church Council meeting.**

**16. Examining the Implications of Becoming a Sanctuary Denomination**

*Churchwide Assembly Action [CA16.02.03j]*

To receive with gratitude the memorial of the Oregon Synod regarding the sanctuary movement;

To reaffirm the ELCA's partnership with Lutheran Immigration and Refugee Service in calling for fair and compassionate immigration policies and practices that keep families together;

To encourage ELCA synods, congregations and members to advocate for legislation that welcomes the stranger to this country and to their communities;

To refer the request to the Domestic Mission unit to examine the opportunities and implications of endorsing the practice of congregations offering sanctuary and of the ELCA declaring itself a sanctuary denomination and request a report and recommendations be provided to the Church Council.

*Response from Domestic Mission unit and Office of the Secretary (November 2016)*

The Domestic Mission unit, the General Counsel of the ELCA, and Lutheran Immigration and Refugee Service (LIRS) discussed next steps for the Domestic Mission unit to examine the endorsement of congregations offering sanctuary and to consider the ramifications of the ELCA declaring itself a sanctuary denomination. The group intends to pursue additional conversations with leaders from the Oregon Synod to further understand the purpose and to define terms in the memorial. This conversation may lead to consultation with other denominations and will be followed by research and analysis. The unit expects to bring a report and possible recommendations to the November 2017 meeting of the Council.

**CC ACTION** [EN BLOC]

**Recommended:**

**To receive the response from the Office of the Secretary and the Domestic Mission unit; and**

**To anticipate a report with possible recommendations by the November 2017 Church Council meeting.**

**17. Resolution on Call Process (Motion F)**

*Churchwide Assembly Action [CA16.06.35]*

RESOLVED, that the assembly asks the ELCA Church Council, in consultation with the Conference of Bishops, to initiate a conversation including synod leadership regarding rostered leader vacancies throughout this church; and be it further

RESOLVED, that the assembly encourages the Conference of Bishops to continue their work of facilitating and always reforming the call process for congregations and institutions in our changing contexts; and be it further

RESOLVED, that regions, institutions, synods, and congregations be encouraged to raise up leaders in this church for rostered leadership with the encouragement and oversight of the Theological Education Advisory Committee of the Church Council; and be it further

RESOLVED, that the Conference of Bishops communicate with the ELCA Church Council and mutually review the status of this work every year and a half for three years.

*Response from Conference of Bishops (November 2016)*

The Executive Committee of the Conference of Bishops has not yet had a chance to consider a response to “Resolution on Call Process” (Motion F) (CA16.06.35), which was passed at the 2016 Churchwide Assembly and for which the Conference of Bishops has been designated to take the lead. In consultation with the Office of the Presiding Bishop, Domestic Mission, and the Church Council, we will establish a working group at the spring 2017 meeting of the Conference of Bishops with the expectation of an initial report, including a plan for addressing the resolution, at the fall 2017 Conference of Bishops meeting to be presented, in turn, to the November 2017 Church Council meeting.

**CC ACTION** [EN BLOC]

**Recommended:**

**To receive the response from the Conference of Bishops and to anticipate a report with possible recommendations by the November 2017 Church Council meeting.**

**18. African Descent Lutherans**

*Churchwide Assembly Action [CA16.05.17]*

To receive with gratitude the memorials of the Arkansas-Oklahoma, Metropolitan Chicago, Southeast Michigan, New Jersey, Metropolitan New York, Southeastern Pennsylvania, North Carolina and Southeastern synods regarding African Descent Lutheran Lives Matter;

To direct the Office of the Presiding Bishop, the Domestic Mission unit and the Global Mission unit to assist in connecting, supporting and involving ELCA representation (particularly though not exclusively) of the people of African descent with the observance of the 500th anniversary of the Lutheran Reformation and the initiatives of the U.N. International Decade for People of African Descent; to be intentional in the inclusion of the contributions of African descent Lutherans as part of these observances;

To confess and repent of the Lutheran church’s complicity in 400 years of enslavement, oppression and marginalization of African descent people and other marginalized populations;

To acknowledge with regret that the ELCA as an institution has and continues to contribute to racial harassment and discrimination against people of African descent through corporate action, policy and practices and to request the Office of the Secretary, in consultation with appropriate churchwide organization units, to review and report on current governing documents in light of these concerns;

To encourage synods and ELCA related institutions to do the same in its review and report of current governing documents related to setting policy and procedures on workplace harassment and discrimination, including racial harassment and discrimination;

To request the Domestic Mission unit through its African Descent Ministries desk, in consultation with the African Descent Lutheran Association, to create a “Declaration of the ELCA to the African Descent Community” and to bring this declaration with recommendations of how to include the declaration in this church’s governing documents by the April 2018 meeting of the Church Council;

To urge the seminaries, colleges, universities and other academic institutions of this church to work with the Conference of International Black Lutherans (CIBL) to recognize and dismantle white hegemony by lifting up, encouraging and incorporating the academic exploration of Black Liberation Theology and Womanist Theologians;

To urge the seminaries, colleges, universities and other academic institutions of this church to develop anti-racism resources;

To reaffirm the Church Council action to call upon the seminaries, in collaboration with churchwide organization units and partners, to develop networked theological education programs, resources and opportunities for ethnic-specific communities;

To reaffirm the commitment of this church to create, sustain and reinvest in African descent communities, congregations and ministries including an update of the African Descent Ministry Strategy;

To request the Domestic Mission unit, in partnership with the African Descent Lutheran Association, to find ways to increase the number of African descent leaders, congregations and communities served by at least 10 percent; and

To recommit this church to growing its ethnic and racial diversity.

#### *Response from Domestic Mission unit (November 2016)*

There are numerous resolves within this assembly action. The initial response from the Domestic Mission unit is to address the ones that directly impact the churchwide organization.

Part of this action of the assembly represents two separate though intersecting initiatives: the 500<sup>th</sup> anniversary of the Lutheran Reformation and the United Nations International Decade for People of African Descent 2015 – 2024. Other parts are related to: review of governing documents, creation of a ‘Declaration of the ELCA to the African Descent Community’, and increase the number of African Descent leaders, congregations and communities served.

#### **Regarding the 500<sup>th</sup> anniversary of the Lutheran Reformation**

The 500<sup>th</sup> Anniversary of the Lutheran Reformation will be observed by gatherings and conversations of a global Lutheran Community. Lutheran churches from across the African continent will take part and be fully represented members of this worldwide Lutheran family. Unless we are particularly attentive as the ELCA to the shaping of our delegations and teams representing our church, African American, African Caribbean and other ELCA members of African ancestry will not be afforded equitable access and involvement in this historic chapter of the continuing reformation of the church.

The Director of Ethnic Specific, Multicultural and Racial Justice Ministries in consultation with the Executive Director of the Domestic Mission unit, the African Descent Strategy Team, the African National Steering Committee, the African Descent Ministries desk, Global Mission unit, the African Descent Lutheran Association and the Director for Racial Justice Ministries, will formulate a plan and approach for implementing the 500<sup>th</sup> anniversary of the Lutheran Reformation and report to Church Council at the April 2017 meeting.

Within the next three months, the Director of Ethnic Specific, Multicultural and Racial Justice Ministries will discuss the incorporation of the presence and participation of the African Descent diaspora and other people of color in the 500<sup>th</sup> anniversary of the Lutheran Reformation with the Office of the Presiding Bishop (to include specifically the Executive for Theological Discernment and Executive for Ecumenical and Inter-Religious Relations) and report to Church Council at the April 2017 meeting.

#### **Regarding UN International Decade for People of African Descent**

The UN General Assembly proclaimed 2015-2024 as the International Decade for People of African Descent (resolution 68/237) citing the need to strengthen national, regional and international cooperation in relation to the full enjoyment of economic, social, cultural, civil and political rights by people of African Descent, and their full and equal participation in all aspects of society.

The Domestic Mission unit will convene a consultation inclusive of African Descent Lutheran Association, African Descent Ministries staff, Global Mission and Domestic Mission Executive Directors, Executive for Theological Discernment, Director for Lutheran Office for World Community, and additional advisors as needed. This team will formulate a plan for intentional representative engagement of ELCA persons of African Descent in the UN initiative to be presented to Church Council at the April 2017 meeting.

**Regarding the “Declaration of the ELCA to the African Descent Community”**

The African Descent Ministries desk and the Director for Racial Justice Ministries, will consult with the African Descent Lutheran Association (the resolution originated at the 2015 biennial assembly for the African Descent Lutheran Association) regarding the work to create a “Declaration of the ELCA to the African Descent Community.” A progress report on the development of the declaration will be presented to the Church Council at the November 2017 meeting.

**Regarding a review and report on current governing documents**

The assembly action requested that this church’s governing documents be reviewed regarding its contribution to racial harassment and discrimination against people of African descent. Within the next six months, the Director for Ethnic Specific, Multicultural and Racial Justice Ministries will schedule a conversation with a representative from Church Council, the Office of the Secretary, the Office of the Presiding Bishop, the African Descent Lutheran Association, the Director for Racial Justice Ministries, and the African Descent Ministries desk. A report will come to Church Council at the November 2017 meeting.

**Regarding ways to increase the number of African descent leaders, congregations and communities served**

In consultation with the Conference of Bishops, Domestic Mission Unit Leadership Team, the African Descent Lutheran Association, Executive for Administration, Director for Leadership and Candidacy and Mission Advancement unit, the Domestic Mission unit will create a plan to assess current and proposed work as first steps toward implementation. A report will come to Church Council by its November 2017 meeting.

**CC ACTION [EN BLOC]**

**Recommended:**

**To receive the response from the Domestic Mission unit on a proposed timeline to address the implementation of the African Descent Lutherans assembly action;**

**To anticipate a report on actions related to the 500<sup>th</sup> anniversary of the Lutheran Reformation and the UN International Decade for People of African Descent by the April 2017 Church Council meeting; and**

**To anticipate a report on actions related to the “Declaration of the ELCA to the African Descent Community”, review on current governing documents and ways to increase the number of African Descent leaders, congregations and communities served at the November 2017 Church Council meeting.**

**19. Strategy Toward Authentic Diversity within the ELCA (Motion B)**

*Churchwide Assembly Action [CA16.05.25]*

To refer Motion B to the Church Council.

RESOLVED, the Churchwide Assembly direct the ELCA Church Council to form a Task Force for the purpose of developing a comprehensive set of strategies to equip congregations and synods to work towards becoming a more authentically diverse church. The work of the Task Force shall include but is not limited to:

- consulting with WELCA, the Ethnic Specific Ministry Associations, the Multicultural and Racial Justice Team, the Conference of Bishops and ecumenical partners;
- collecting existing resources such as those available from WELCA and the Ethnic Specific Ministry Associations and beyond the ELCA;

- identifying needs for additional resources;
- supporting synods in identifying their specific opportunities for growth;
- assessing the effectiveness of diversity strategies across the three expressions church in order to identify strategies that have yielded authentic diversity; and be it further

RESOLVED, that the Task Force be composed of one person from each of the nine regions and one Bishop who will serve as co-chair. The composition of the Task Force shall conform with the representational principles in section 5.01.f of the ELCA Constitution except that persons of Color and/or persons whose Primary Language is other than English shall comprise 100% of the Task Force and the Task Force shall be ethnically diverse. The members of the Task Force shall be appointed by the Church Council in consultation with the ELCA Director of Ethnic Specific and Multicultural Ministries; and be it further

RESOLVED, that the Church Council designate funds to support the work of the Task Force as soon as funds become available, no later than April 2017. The work of the Task Force shall begin no later than August 2017 and conclude at the 2019 Churchwide Assembly; and be it further

RESOLVED, that the Task Force submit a report and recommendations to the 2019 Churchwide Assembly that includes:

1. a summary of the information gathered by the Task Force and
2. a proposal of recommendations for metrics and supports to provide mutual accountability for our commitment to diversity across the three expressions of the church and a proposal for funding these efforts.

#### *Response from Domestic Mission unit (November 2016)*

Work towards becoming a more authentically diverse church is currently being carried out through the Ethnic Specific Ministry Associations and the Ethnic Specific, Multicultural Ministries and Racial Justice team. In addition, Presiding Bishop Elizabeth Eaton was asked by Church Council at its November 2015 meeting “to include the current efforts in a broader, comprehensive strategy toward becoming a racially and ethnically diverse church committed to dismantling racism.” [CC15.11.55] It is worth noting that the Called Forward Together in Christ process identified a goal that this church becomes “an inviting, inclusive church that reflects the diversity of our communities and embraces the gifts and opportunities that diversity brings.” While we have continued the work, we request more time for consultations and further reflection before advising on a proposed task force and the scope of work prescribed. A full report will be prepared for the April 2017 Church Council meeting.

#### **CC ACTION [EN BLOC]**

##### **Recommended:**

**To receive the response from the Domestic Mission unit and to anticipate a report by the April 2017 Church Council meeting.**

## **20. Repudiation of the Doctrine of Discovery**

### *Churchwide Assembly Action [CA16.02.04]*

To receive with gratitude memorials from the Alaska, Northwest Washington, Montana, Southwest California, Rocky Mountain, Eastern North Dakota, South Dakota, Minneapolis Area, Saint Paul Area, Arkansas-Oklahoma, Northwest Wisconsin, East-Central Wisconsin, Indiana-Kentucky, Upstate New York, Northwestern Pennsylvania, Metropolitan Washington, D.C., North Carolina and Southeastern synods regarding the Repudiation of the Doctrine of Discovery;

To repudiate explicitly and clearly the European-derived doctrine of discovery as an example of the “improper mixing of the power of the church and the power of the sword” (Augsburg Confession Article XXVIII, Latin text), and to acknowledge and repent from this church’s complicity in the evils of colonialism in the Americas, which continue to harm tribal governments and individual tribal members;

To offer a statement of repentance and reconciliation to Native nations in this country for damage done in the name of Christianity;

To encourage the Office of the Presiding Bishop to plan an appropriate national ceremony of repentance and reconciliation with tribal leaders, providing appropriate worship resources for similar synodical and congregational observances with local tribal leaders, at such times and places as are appropriate;

To direct the Domestic Mission unit, together with the American Indian and Alaska Native community and ecumenical partners, to develop resources to educate members of the ELCA and the wider community about the doctrine of discovery and its consequences for Native peoples;

To direct the Domestic Mission unit to develop a strategy with the American Indian and Alaska Native community during the next triennium to be referred to the Church Council for action, including a mechanism to grow the Native American Ministry Fund of the ELCA; and

To affirm that this church will eliminate the doctrine of discovery from its contemporary rhetoric and programs, electing to practice accompaniment with Native peoples instead of a missionary endeavor to them, allowing these partnerships to mutually enrich indigenous communities and the ministries of the ELCA.

*Response from Domestic Mission unit (November 2016)*

As was described in the 2016 Churchwide Assembly Memorials Committee report, the “doctrine of discovery” is a theological justification of colonization that later became nationalistic justification. Initiated when European monarchies invasively arrived in the Western Hemisphere in the 15th, 16th and later centuries, during the so-called “Age of Discovery,” they claimed the lands, territories and resources of the indigenous peoples, asserting that the monarchies had a right to appropriate on behalf of Christendom.

The doctrine of discovery is a key premise for non-indigenous government claims to legitimacy on and sovereignty over Indigenous lands and territories. It is used in particular by former British colonies, specifically Canada, Australia, New Zealand and the United States of America.

For additional information on what is found in the doctrine of discovery and what its effect has had on indigenous peoples, we recommend reading the entire background information included in the [“Report of the Memorials Committee.”](#)

The repudiation of the Doctrine of Discovery by the 2016 Churchwide Assembly provides an invaluable teaching moment for our congregations to understand systemic and continuous impact of racism on the daily lives of indigenous peoples in the U.S. The assembly voted to eliminate the doctrine within the church’s contemporary politics, programs, outreach, structures and engagement with Native communities. Through the assembly action, we have acknowledged there is a profound brokenness of our relationship with Indigenous people that is deeply embedded in our identity as the Evangelical Lutheran Church in America that calls us to a path for healing and reconciliation.

The Doctrine of Discovery, and the legal ramifications of it to this day, have profound effects on the issues of migration, racial and economic justice for indigenous people. This church is to promote efforts with Indigenous communities within which our congregations and synods reside. In order to assist this church in its work to eliminate the Doctrine of Discovery from its contemporary rhetoric and programs, we recommend the development of synodical Native accompaniment teams with American Indian Alaska Native Ministries to help strengthen community leadership as well as provide structural support and relationship building with the Directors for Evangelical Mission and synods, and reduce isolation of ministry leadership.

In the assembly action, this church is “to offer a statement of repentance and reconciliation to Native nations in this country for damage done in the name of Christianity.” We will be working with the Office of the Presiding Bishop and the Native Ministry team to draft this statement. In consultation with the Native Ministry team, we recommend that this statement acknowledge the benefit of past apologies and



bring attention to communities and issues of American Indian Alaska Native Tribes in the United States. The statement should also include the acknowledgement of the impact that the Lutheran church has had in American Indian, Alaska Native communities. Specifically, it should mention the Lutheran involvement of violating the Indian Child Welfare Act, in removing American Indian Alaska Native children and placing them in non-native homes. Given the critical consultations and the importance of this statement, we will be reading the statement publicly in conjunction with the national ceremony of repentance and reconciliation.

The Office of the Presiding Bishop will work with the Program Director for American Indian Alaska Native Ministry, Worship staff and American Indian community to plan and implement a national ceremony of repentance and reconciliation. In consultation with the program director and the American Indian Alaska Native Community leaders, we recommend the national ceremony and the reading of the statement of repentance and reconciliation will be done at the site of Pe' Sla, in the lands held sacred by the Dakota Tribes in the Black Hills region of South Dakota. Doing the public announcement of the statement in this place not only commemorates sacred lands being reclaimed by Indigenous People, the action speaks to seeking a more meaningful relationship with American Indian Alaska Native People. The intended timeframe for this ceremony is for it to take place during Spring 2017 or 2018 in partnership with the local Tribes and Tribal Colleges when they allow visitors to the land.

The Program Director for American Indian Alaska Native Ministries and the community will work with synodical bishops, synodical leaders and congregations to assist them in planning observances with local tribal leaders. These actions acknowledge the statement of repentance and reconciliation on behalf of the church, and brings attention to the communities and issues of American Indian Alaska Native Tribes in the United States.

Through the 2016 Churchwide Assembly action, the visibility of the Doctrine of Discovery has been raised, and is itself a means of educating people about that doctrine and its continuing effects on indigenous nations and peoples. An immediate implementation plan on the repudiation of the Doctrine of Discovery will include educational resources about the doctrine. We will develop educational resources in partnership with the denominations that have currently repudiated the doctrine of discovery and Lutheran theological leaders, and foremost Native nation, indigenous leaders. The Program Director for American Indian Alaska Native Ministries will work with synodical bishops, synodical leaders, and congregations to organize educational opportunities to better understand the realities and impact of the Doctrine of Discovery. A series of informational resources, infographics, web videos and other resources will be developed in collaboration with our ecumenical partners and leaders within our American Indian, Alaska Native ELCA leaders. We intend to establish and/or utilize current Native Ministry team members and association to develop an implementation plan and timeline for the development of these resources in accordance with the next triennium.

The assembly action also requested the development of a strategy with the American Indian Alaska Native community. There is a [strategic plan](#) for the American Indian and Alaska Native ministry that was adopted by the 1997 Churchwide Assembly. Updating the strategy will include the work of developing strategic implementation for the repudiation of the Doctrine of Discovery. During the next triennium, we will use this time for discernment and conversations with communities as well as ecumenical partners to develop an overall strategy. In addition to updating the strategy, the Program Director for American Indian Alaska Native Ministries will establish a process with the community to review the Native American Ministry Endowment Fund, including its guidelines, priorities and philanthropy structure for growth and implementation. A draft strategy will be prepared for the Church Council's consideration at its April 2019 meeting to be forwarded to the 2019 Churchwide Assembly.

We will provide a progress report on the work of this memorial at the November 2018 meeting of the Church Council.

**CC ACTION** *[EN BLOC]*

**Recommended:**

**To receive with appreciation the response from the Domestic Mission unit regarding the work underway to implement the repudiation of the Doctrine of Discovery;**

**To commend the American Indian Alaska Native Ministries in its work with synods and congregations to educate people about the Doctrine of Discovery and its continuing effects on indigenous nations and peoples;**

**To anticipate a progress report on the work at the November 2018 Church Council meeting;  
and**

**To request a revised American Indian and Alaska Native Strategic Plan be presented at the April 2019 Church Council meeting.**



## Responses to Synodical Resolutions

### 1. Campus Ministry

#### **Southeastern Iowa Synod (5D) [2016]**

RESOLVED, that the Southeastern Iowa Synod in assembly encourages its congregations to pray frequently for ELCA Lutheran Campus Ministries in Iowa; and be it further

RESOLVED, that congregations of the Southeastern Iowa Synod are encouraged to invite the students and staff of ELCA Lutheran Campus Ministries to worship with them and to tell them about the impact of their ministries on campus; and be it further

RESOLVED, that congregational leaders, members and staff in the Southeastern Iowa Synod are encouraged to visit ELCA Lutheran Campus Ministry sites to express support to and also become familiar with its staff, students and ministries; and be it further

RESOLVED, that congregations of the Southeastern Iowa Synod be encouraged to include ELCA Campus Ministries in Iowa in their annual budgets as an outreach above and beyond mission support to synod and churchwide ministries, and/or provide opportunities for members to make annual special gifts and offerings to ELCA campus ministries; and be it further

RESOLVED, that congregations are asked to notify ELCA campus ministries of the names of their member students who are attending their respective universities; and be it further

RESOLVED, that the Southeastern Iowa Synod Assembly directs the Southeastern Iowa Synod Council to request the Church Council to lift up the importance of campus ministries throughout the ELCA, and explore ways to reverse the trend of decreasing financial support toward the important work they do in partnership with, and on behalf of, Christ and His Church.

#### *Executive Committee Action [EC16.06.19a]*

To receive the resolution from the Southeastern Iowa Synod concerning the importance of campus ministry;

To refer the resolution to the Domestic Mission unit for a report or for a timeline on when this resolution will receive further attention; and

To request the secretary of this church inform the synod of this action.

#### *Response from Domestic Mission unit (November 2016)*

The Domestic Mission (DM) unit is working in close partnership with the board of the newly created, Lutheran Campus Ministry Network (LuMin), to lift up the importance and the visibility of campus ministries across the church. The DM unit supports the work of LuMin with an annual partnership grant. The Program Director for Campus Ministry also serves on the LuMin board.

A comprehensive review and revision of *ELCA Campus Ministry Policies and Procedures*, last revised by the Church Council in 2006, is currently underway. The goal is to replace this document with an updated resource that describes the current context for campus ministry and defines the interdependent nature of this ministry within the life of the ELCA, including congregations, synods and the churchwide organization. The DM unit anticipates completion of this resource during 2017, with a report back to the Church Council in November 2017.

The DM unit also notes that churchwide financial support and staffing for the Campus Ministry program has remained steady for the past six years. Over the past several years, many campus ministry agencies have been reporting declining financial support from synod budgets. The Southeastern Iowa Synod resolution provides a good model for synods and their congregations to reconnect with the campus ministries in their area. Significant efforts have been made over the past several years to equip campus ministry boards and staff with new knowledge and tools to help them expand their levels of financial support among alumnae, friends and supporting congregations.

**CC ACTION** [EN BLOC]

**Recommended:**

- To receive with gratitude the response from the Domestic Mission unit;**
- To anticipate a revised ELCA Campus Ministry Policies and Procedures at the November 2017 Church Council meeting; and**
- To request that the secretary of this church inform the synod of this action.**

**2. Immigration**

**New Jersey Synod (7A) [2016]**

RESOLVED, that the congregations of the New Jersey Synod become aware of the needs of unaccompanied migrant children and strengthen this church's ministry among, with and for the most vulnerable of newcomers, and to continue to advocate for immigration, refugee and asylum laws that are fair and generous; and be it further

RESOLVED, that the New Jersey Synod congregations advocate for appropriate legal representation for children and families fleeing violence and war by communicating with our elected officials; and be it further

RESOLVED, that the New Jersey Synod encourage the ELCA in assembly to encourage all congregations to advocate for laws and policies that protect children and people fleeing persecution and address the situation of migrants in transit.

*The New Jersey Synod reported the resolution as "Resolution referred through the Synod Council to the Church Council."*

*Executive Committee Action [EC16.06.19b]*

- To receive the resolution from the New Jersey Synod concerning immigration;
- To refer the resolution to the Domestic Mission unit for a report or for a timeline on when this resolution will receive further attention; and
- To request the secretary of this church inform the synod of this action.

*Response from Domestic Mission unit (November 2016)*

The adoption of the AMMPARO (Accompanying Migrant Minors with Protection, Advocacy, Representation and Opportunities) strategy at the 2016 ELCA Churchwide Assembly increases the capacity of AMMPARO staff to connect with ELCA synods to create greater awareness of the needs of unaccompanied children and how congregations can strengthen their ministries with them. Staff has been in contact with the New Jersey Synod and will have further conversation in order to develop a plan to work with congregations on accompaniment, advocacy and awareness-building. New materials will be created in the first quarter of 2017 for congregations and synods, in addition to the materials that are already available. For more information about unaccompanied children from Central America, please visit the AMMPARO page ([www.elca.org/ammparo](http://www.elca.org/ammparo)).

As part of this capacity-building effort, the ELCA Advocacy office ([www.elca.org/advocacy](http://www.elca.org/advocacy)) and Lutheran Immigration and Refugee Service ([www.lirs.org](http://www.lirs.org)) will continue to connect congregations to advocate for immigration, refugee resettlement and asylum laws that are fair and generous. Faith leaders can go to [LIRS' Action Center](#) and the [ELCA's Advocacy Office's](#) web pages and take action to advocate for laws and policies that protect children, their families and others fleeing persecution.

**CC ACTION** [EN BLOC]

**Recommended:**

- To receive with gratitude the response from the Domestic Mission unit;**

**To encourage congregations to advocate for laws and policies that protect children and other people fleeing persecution;**

**To commend the ministry that is being done through the AMMPARO strategy to address the situation of migrants in transit; and**

**To request that the secretary of this church inform the synod of this action.**

**3. Supporting a Proposed U.S. Constitution Amendment Stating That Corporations Are Not People and Money Is Not Speech**

**Florida-Bahamas Synod (9E) [2015]**

RESOLVED, that the Florida-Bahamas Synod welcome the action of the Interfaith Caucus of Move to Amend and its partners and affiliates in seeking to educate congregations and ministries across the synod so that our members may more fully engage in civic responsibilities; and be it further

RESOLVED, that the Florida-Bahamas Synod in Assembly direct the Synod Council to request the Church Council of the ELCA to give focus to this issue.

*Executive Committee Action [EC16.06.19c]*

To receive the resolution from the Florida-Bahamas Synod concerning action of the Interfaith Caucus of Move to Amend;

To refer the resolution to the Domestic Mission unit, in consultation with legal counsel in the Office of the Secretary, for a report or for a timeline on when this resolution will receive further attention; and

To request the secretary of this church inform the synod of this action.

*Response from Domestic Mission unit and Office of the Secretary (November 2016)*

The Domestic Mission unit, in consultation with ELCA General Counsel, recommends against endorsing the goal of the “Move to Amend” Interfaith Caucus to support a constitutional amendment that states “Only human beings, not corporations, are endowed with constitutional rights.” In our view, seeking to amend the Constitution of the United States is not the appropriate or necessary means to address the concerns raised in the resolution. In addition, such an amendment could impinge upon the freedom of the ELCA, its congregations and related agencies to advocate or speak publicly on issues of importance. The Domestic Mission unit addresses the issue of money in politics through the advocacy ministry of the ELCA Washington Office and state advocacy offices, in an ongoing response to the Social Policy Resolution [U.S. Election Campaign Finance Reform](#) (CA 95.07.67). The ELCA Washington Office continues to provide leadership in the “Faithful Democracy” coalition, which focuses on campaign finance reform, evaluates policy riders that would further exacerbate the role of money in politics and evaluates legislative packages.

**CC ACTION [EN BLOC]**

**Recommended:**

**To receive the response from the Domestic Mission unit, in consultation with legal counsel in the Office of the Secretary;**

**To decline to endorse the goal of the “Move to Amend” Interfaith Caucus to support a constitutional amendment that states ‘only human beings, not corporations, are endowed with constitutional rights’;**

**To commend the ELCA Washington Office and state advocacy offices in its continued efforts to address the issue of money in politics; and**

**To request that the secretary of this church inform the synod of this action.**

**4. Thrivent Choice Neutrality Policy  
Southeast Michigan Synod (6A) [2016]**

RESOLVED, that the Southeast Michigan Synod meeting in assembly ask Bishop Donald P. Kreiss to contact Thrivent Financial for Lutherans on the behalf of this synod and urge Thrivent to allow for individual freedom and choice in supporting charitable giving without restriction; and be it further

RESOLVED, that this assembly ask the bishop and its Synod Council to communicate with the ELCA Church Council and presiding bishop, expressing the disappointment of this synod with Thrivent's current practice regarding Choice Dollars and requesting that the ELCA Church Council and presiding bishop advocate to have the current practice regarding Choice Dollars discontinued and allow for individual freedom and choice.

*Executive Committee Action [EC16.06.19d]*

To receive the resolution from the Southeast Michigan Synod concerning Thrivent Financial for Lutherans Choice Dollars;

To refer the resolution to the Office of the Presiding Bishop for a report or for a timeline on when this resolution will receive further attention; and

To request the secretary of this church inform the synod of this action.

*Response from Office of the Presiding Bishop (November 2016)*

Thrivent is an independent Corporation with its own governing board and has all but dropped its church body relationships. It has changed the former Church Relations Church and Community Engagement unit including a new name and adding a new director. The Office of the Presiding Bishop Synodical Relations Team is trying to establish communication with the new director and new unit. We will report results in Spring 2017.

**CC ACTION** [EN BLOC]

**Recommended:**

**To receive the response from the Office of the Presiding Bishop and to request a report be received by the April 2017 Church Council meeting; and**

**To request that the secretary of this church inform the synod of this action.**

**5. Photovoltaics (PV) for Phebe Hospital in Liberia  
Northwest Minnesota Synod (3D) [2016]**

RESOLVED, that the Northwestern Minnesota Synod in assembly recommit to the resolution passed in 2015 in support of the PV for Phebe project; and be it further

RESOLVED, that the Northwestern Minnesota Synod in assembly encourage the intentional effort of each congregation throughout the synod to raise awareness and funding for this project in the month of August in the years 2016 and 2017; and be it further

RESOLVED, that the Northwestern Minnesota Synod in assembly direct the Northwestern Minnesota Synod Council to forward this resolution to the ELCA Church Council, encouraging it to find ways to support PV for Phebe or other similar projects by urging synods and congregations to support such projects with their companion synods.

*Executive Committee Action [EC16.06.19e]*

To receive the resolution from the Northwestern Minnesota Synod concerning Photovoltaics for Phebe Hospital in Liberia;

To refer the resolution to the Global Mission unit for a report or for a timeline on when this resolution will receive further attention; and

To request the secretary of this church inform the synod of this action

*Response from Global Mission unit (November 2016)*

The Global Mission unit continues to work with the Women of the ELCA to coordinate the fundraising effort to bring solar power to Phebe Hospital in Liberia. To date, approximately \$300,000 has been raised. A Global Mission staff member in Liberia, who has an engineering background, is liaising with the Rural Renewal Energy Alliance for the planning and implementation phases of this project which will begin once the required funds (\$350,000 to meet the matching grant conditions) have been received.

**CC ACTION [EN BLOC]**

**Recommended:**

- To receive the response from the Global Mission unit;**
- To affirm the response of the 2016 Churchwide Assembly of the ELCA related to the “Supporting Mission Phebe Hospital through Photovoltaics”;**
- To request that the secretary of this church inform the synod of this action.**

**6. “Find a Congregation” Feature on the ELCA Website  
Lower Susquehanna Synod (8D) [2016]**

RESOLVED, that [the Lower Susquehanna Synod Assembly direct] the Synod Council [to] request the Church Council’s Executive Committee to:

- Eliminate access to parochial reports through the “Find a Congregation” feature. Make this information accessible in a research area, as opposed to an area trafficked by likely visitors to a congregation; and

Create a different template for the snapshot profile that would include information essential for a prospective visitor, such as contact information, address, website, worship times, accessibility, language and average weekly worship attendance. This template should also include qualitative data, such as a congregation’s mission statement, self-identified strengths of the congregation and a photo. This information could be gathered through a revised parochial report.

*Executive Committee Action [EC16.08.22e]*

To receive the resolution from the Lower Susquehanna Synod concerning the “Find a Congregation” feature on the ELCA website;

To refer the resolution to the Mission Advancement unit, in consultation with appropriate churchwide organization units, for a report or for a timeline on when this resolution will receive further attention; and

To request the secretary of this church inform the synod of this action.

*Response from Mission Advancement unit (November 2016)*

In the coming year, the Strategic Communications team in the Mission Advancement (MA) unit expects to consider the requests identified in this resolution along with other digital media matters. MA will continue to consult with other churchwide organization units and offices. We expect to bring a report to the Church Council at the end of 2017 or early 2018.

**CC ACTION [EN BLOC]**

**Recommended:**

- To receive the response from the Mission Advancement unit and to anticipate a report no later than the April 2018 Church Council meeting; and**
- To request that the secretary of this church inform the synod of this action.**

**7. United Nations Sustainable Development Goals  
Metropolitan Washington, D.C., Synod (8G) [2016]**

RESOLVED, that the Metropolitan Washington, D.C., Synod Assembly encourage the congregations of the

synod to engage in thoughtful and prayerful study of the United Nation's "Transforming our World: The 2030 Agenda for Sustainable Development" goals and consider activities in the light of that study and to inform the synod bishop annually on their progress in study and responses for the next five years; and be it further

RESOLVED, that the Metropolitan Washington, D.C., Synod Assembly direct the bishop of the synod to forward this resolution to other synod bishops in the ELCA and encourage them to promote and engage in similar processes; and, be it further

RESOLVED, that the Metropolitan Washington, D.C., Synod Assembly direct the Metropolitan Washington, D.C., Synod Council to forward this resolution to the Church Council for consideration and possible action.

*Executive Committee Action (EC16.08.22f)*

To receive the resolution from the Metropolitan Washington, D.C., Synod concerning United Nations Sustainable Development Goals;

To refer the resolution to the Domestic Mission unit, in consultation with appropriate churchwide organization units, for a report or for a timeline on when this resolution will receive further attention; and

To request that the secretary of this church inform the synod of this action.

*Response from Domestic Mission unit (November 2016)*

National governments are the primary implementers of the United Nations Sustainable Development Goals (SDGs) with the assistance of civil society (including faith-based organizations) and the private sector as well as national parliaments, regional and local authorities, academia and volunteer groups. Governments will submit voluntary national reviews that will assess progress toward each goal, based on globally-agreed indicators and identify challenges that will inform recommendations for follow-up at various levels of government.

The Domestic Mission unit consulted with the Global Mission unit concerning this resolution. Global Mission (GM) will address the resolution by focusing on efforts to promote the SDGs at various workshops and companion project visits. GM is reviewing the proposals and concept notes that we receive with SDGs lens and encourage them to engage with other stakeholders during planning and implementation. For now, the priority is for our companions to be aware of SDGs and find ways to align their resources to meet those that they prioritize through their work. Depending on their capacity, some companions have already started to plan indicating what goals they intend to address through their programs. The Lutheran Office on World Community staff, part of the Global Mission unit, attend the annual UN meeting where the reviews are presented as well as share findings from the Secretary-General's reports.

**CC ACTION [EN BLOC]**

**Recommended:**

**To receive with gratitude the response from the Domestic Mission and Global Mission units;**

**To encourage the Global Mission unit to promote the United Nations Sustainable Development Goals at workshops and companion project visits; and**

**To request that the secretary of this church inform the synod of this action.**

**8. Current American Political Discourse**

**Metropolitan Washington, D.C., Synod (8G) [2016]**

RESOLVED, that the Metropolitan Washington, D.C., Synod in assembly rejects the public expressions of hatred, fear and bigotry being made during current political campaigns and encourages national and local leaders to boldly, unequivocally and responsibly embrace the values of compassion, honor, respect, cooperation and compromise that are the heart and soul of America; and, be it further

RESOLVED, that the Metropolitan Washington, D.C., Synod Assembly direct the Metropolitan Washington, D.C., Synod Council to forward this resolution to the Evangelical Lutheran Church in America (ELCA) Church Council and to relevant local and national political organizations for consideration and possible action.

*Executive Committee Action (EC16.08.22g)*

To receive the resolution from the Metropolitan Washington, D.C., Synod concerning Current American Political Discourse;

To refer the resolution to the Domestic Mission unit, in consultation with appropriate churchwide organization units, for a report or for a timeline on when this resolution will receive further attention; and

To request that the secretary of this church inform the synod of this action.

*Response from Domestic Mission unit (November 2016)*

The ELCA values public discourse that is conducted with civility and fairness. The ELCA's social statement (1991) "The Church in Society: A Lutheran Perspective," reads that "Christians need to be concerned for the methods and the content of public deliberation."

In September 2016, the ELCA addressed the substance of this resolution by endorsing [standards of conduct](#) for the U.S. presidential debates. The standards, proposed by the National Institute for Civil Discourse, expect candidates to demonstrate respect of others in speech and behavior, and making ideas and feelings known without intentionally disrespecting others. Standards for the audience include when faced with incivility, speak against it by reminding candidates it is not acceptable. Moderators are expected to hold candidates accountable by challenging each candidate to speak the truth and act with integrity.

The support for debate standards was shared in a press release that included quotes from ELCA Presiding Bishop Elizabeth A. Eaton, who addressed civic discourse in her [May 2016 column](#) for *Living Lutheran* magazine. Here, she emphasized that "political speech that doesn't ensure that the 'other' is treated with the same respect and care that we would wish for our own brother or sister or father or mother is not what God intends for God's beloved community."

Following the 2016 election, ELCA Advocacy will continue the ELCAvotes campaign with a focus on civil discourse and healing after a contentious election season.

**CC ACTION** [EN BLOC]

**Recommended:**

**To receive the response from the Domestic Mission unit;**

**To acknowledge the communication already made by ELCA Advocacy regarding appropriate political discourse;**

**To affirm the continued focus of the ELCAvotes campaign on civil discourse and healing after the election season;**

**To request that the secretary of this church inform the synod of this action.**

 **TOWN BANK**  
A WINTRUST COMMUNITY BANK

August 9, 2016

Skaalen Retirement Services, Inc.  
400 N Morris St  
Stoughton, WI 53589

Dear Kris Krentz,

Town Bank ("Bank") is pleased to convey our approval of the following financing package for Skaalen Retirement Services, Inc. and affiliates (together, the "Borrower"). We greatly appreciate the opportunity to provide this commitment and hope this meets with your approval and satisfaction.

If you agree to the terms and conditions outlined (consisting of seven total pages), please sign below and return to me no later than August 28, 2016. This commitment is subject to the Bond closing no later than October 14, 2016, unless extended by the Bank in its sole discretion.

Please feel free to contact me at (414) 323-6183 with questions on this commitment at any time.

Best Regards,



Dan Brenton  
VP – Commercial Banking  
Town Bank

Accepted this 22 day of August, 2016

SKALLEN RETIREMENT SERVICES, INC.

By: 

Title: President



**Facility A:**

**\$10,965,000 Direct Purchase Bond (the "Bond")**

**Interest Rate:**

The Bank is offering the following fixed interest rates with the accompanying performance based pricing, assuming that the Bond will be federally tax exempt, but not Bank Qualified. The following rates are **indicative as of the date of this letter**. The actual interest rate would be set two business days prior to closing on the Bond.

Days Cash on Hand	Fixed Rate
At or Above 275	2.33%
At or Below 274	2.51%

Following an Event of Default, the interest rate would increase by up to 5.0%

**Fees:**

\$10,000 non-refundable Commitment Fee due upon acceptance of this letter. A one-time Closing Fee \$11,162.50 fee, to be collected at closing on the Bond, in addition to the Commitment Fee.

Borrower is required to cover all related closing costs, including but not limited to the following: title, legal, recording fees, trustee fees, construction disbursements and other out-of-pocket costs. Upon the acceptance of this commitment, all legal expenses of the Bank plus expenses and other documentation fees incurred as a result of the preparation of the financing documents will be reimbursed by the Borrower whether or not the Bond closes.

**Term:**

Up to ten years. Town Bank has the absolute right to tender the Bond for payment in full in its sole discretion, at the end of the tenth year, unless the agreement with Borrower is extended with mutual consent. The Bank will provide an 18 month term-out provision in the event of non-renewal of the Bank holding period. During the term-out, the Bond will be subject to shorter amortization and the interest rate will be not to be less than 5.00% greater than the applicable interest rate. Notwithstanding the foregoing, the Bond shall be subject to acceleration upon the occurrence of an Event of Default.

**Disbursements**

For the first two years, the Bond proceeds may be drawn down as needed, like a construction draw note. The Bond will be structured as a "draw-down loan" within the meaning of IRS regulations. Drawings under the Bond shall not occur more frequently than monthly and will be subject to compliance with all representations and warranties.

During the construction period, only interest payments will be required, the funds must be fully drawn at the two year anniversary date.

**Amortization:**

28 year amortization, commencing after the initial 24 month interest only period, thereafter principal and interest will be payable monthly

**Tax Exemption:**

Interest on the Bond shall be excludable from gross income for federal income tax

purposes, designated as a "Non-Bank Qualified" bond issue. The Borrower shall take all steps necessary to maintain such tax exempt status for the Bond. The Bank shall be provided an unqualified opinion of bond counsel addressed to and satisfactory to the Bank which concludes that interest on the Bond is excludable from gross income for federal income tax purposes.

**Interest Computation:** Interest shall be calculated on the basis of a 360 day year, on the actual number of days elapsed, and on the unpaid principal balance from time to time outstanding.

**Security:** See "Collateral" below.

**Purposes:** (i) to reimburse the Borrower for up to \$2,500,000 of "Phase 1" construction and renovation capital expenditures at its Stoughton, Wisconsin campus (ii) to pay "Phase 2" construction and renovation expenditures, including the costs of new CBRF and RCAC assisted living facilities at Borrower's Stoughton, Wisconsin campus (the "Project"), (iii) to reimburse for a portion of the cost of land acquisition in McFarland, Wisconsin and (iv) to pay costs of issuance of the Bond.

**Prepayment** Make whole provision, based on Bank's reinvestment of the amount prepaid.

#### **DOCUMENTATION AND COVENANTS:**

**General:** The financing documents including all necessary or desirable agreements, amendments, supplements and/or restatements and will be prepared by Bond Counsel, Bank Counsel and/or Borrower Counsel based upon forms and/or required language provided by Bank Counsel. The financing documents will include, but not be limited to, the terms and conditions outlined herein. All financing documents will be in form and content acceptable to the Bank.

**Representations and Warranties of Borrower:** As customary, including, but not limited to, the following: proper corporate status and authority; tax-exempt status; the financing documents are valid, binding and enforceable against Borrower; financing documents not violating laws or existing agreements or requiring governmental, regulatory or other approvals; payment of taxes; no litigation that may have a material adverse effect; compliance with ERISA, environmental and other laws and regulations; no adverse agreements, existing defaults or non-permitted liens; financial statements true and correct.

**Covenants of Borrower:** The financing documents will contain customary affirmative covenants including, without limitation, delivery of financial statements, reports, accountants' letters, projections, officers' certificates and other information requested by the Bank; payment of other obligations; continuation of business and maintenance of existence, tax-exempt status and material rights and privileges; compliance with laws and material contractual obligations; maintenance of property and insurance; maintenance of books and records; right of the Bank to inspect property and books and records; notices of defaults, litigation and other material events; parity with other additional or more restrictive covenants in favor of any other lender; and compliance with environmental laws.

The financing documents will also contain customary negative covenants,

including, without limitation, restrictions on the following: liens and encumbrances; indebtedness and guarantees; sale and transfer of assets; consolidations and mergers; change in control, investments, loans and advances; capital expenditures; operating leases; transactions with affiliates; changes in line of business.

**Financial  
Covenants:**

Minimum 150 Days Cash on Hand

- This covenant shall be reported to the Bank and tested semi-annually.

At least 1.10x Debt Service Coverage

- This covenant shall be reported to the Bank and tested semi-annually, (based on Maximum Annual Debt Service Coverage defined below, on a trailing twelve month basis)
- The financial covenants cannot be “cured” by a consultant report.

Additional Bonds Test

- Proforma Annual Debt Service Coverage of at least 1.15x, based on (i) proposed Maximum Annual Debt Service and (ii) Net Income Available for Debt Service, as shown on the two prior fiscal year Audits.

Capital Expenditures

- Obligated Group capital expenditures not to exceed \$2 million in the aggregate in any fiscal year of the Obligated Group, without prior consent of the Bank, which consent will not be unreasonably withheld.

**Covenant Definitions:**

Days Cash on Hand: Cash and Equivalents plus Short Term Investments plus Trading Investments plus Internally Designated for Capital, excluding temporarily or permanently restricted assets, this amount divided by (Total Expenses minus Depreciation) divided by the number of Days in Period equals Days Cash on Hand.

Maximum Annual Debt Service Coverage: Changes in Unrestricted Net Assets less amortization of Nonrefundable Membership Fees, less Refund of Membership Fees, plus Proceeds from Membership Fees, plus interest, amortization, and depreciation, equals Net Income Available for Debt Service. Net Income Available for Debt Service divided by Maximum Annual Debt Service equals DSC Ratio.

**Collateral:**

The Master Notes related to the Bond would be issued under a new Master Trust Indenture with an Obligated Group including the Borrower-related entities. The Bond will be secured by a Revenue Pledge from the Obligated Group. A separate Master Note will be issued under the Master Indenture for the benefit of the Bank.

A first priority real estate Mortgage/Assignment of Rents on the Stoughton main campus and a first priority UCC security interest on all furniture, fixtures and equipment located on the Stoughton main campus, now owned or hereafter acquired.

Collateral Assignment of all contracts related to construction of the Project with an acknowledgment executed by the general contractor for the Project.

The Bank is not requiring a new appraisal.

**Other Requirements:** Borrower agrees to maintain primary and principal depository accounts at the Bank during the term of the Bond, as mutually negotiated and agreed to by the Borrower.

**Reporting Requirements:** Borrower shall provide annual audited financial statements within 210 days of fiscal year-end; quarterly unaudited statements, including balance sheet and income statement, within 60 days of each quarter-end; and a quarterly covenant compliance certificate, with occupancy and payor mix statistics. Borrower shall also provide broker-prepared investment statements, within 60 days of each quarter-end.

**Events of Default:** The Events of Default will be those usual and customary for like-situated borrowers, including, without limitation, failure to pay principal, interest and other obligations under the Bond and the financing documents when due; material inaccuracy of representations and warranties; breach of covenants in financing documents; failure to pay judgments when due; commencement of bankruptcy, insolvency, liquidation or other similar proceedings or act of insolvency; compromise of collateral or other credit support; defaults related to employee benefit plans; merger, dissolution or similar corporate event; cross-default to payment and terms of other obligations; and material adverse change in Borrower's financial condition.

An Event of Default cannot be remedied by hiring an Independent Consultant.

**Confidentiality:** This Term Sheet contains confidential and proprietary structuring and pricing information. Except for disclosure on a confidential basis to your accountants, attorneys and other professional advisors retained by you in connection with this financing or as may be required by law, the contents of this Term Sheet may not be disclosed in whole or in part to any other person or entity without our prior written consent, provided that nothing herein shall restrict disclosure of information relating to the tax structure or tax treatment of the proposed Bond as required to comply with applicable Federal income tax rules relating to such disclosure.

**Tax Gross-Up:** If interest on the Bond is determined to be taxable for any reason, the interest on the Bond will increase from the effective date of such taxability to the taxable equivalent rate per annum.

**Yield Protection:** If a change in laws, rules, guidelines, accounting principles or regulations (or their interpretation, implementation or administration) shall occur or be implemented and shall increase the cost to the Bank, or its parent companies of holding the Bond or decrease the return on the Bank's or any parent company's capital, the Bank may increase the rates by such amount as is necessary to compensate it or its parent companies for such increased costs or decreased return. In addition, the financing documents shall contain customary provisions providing for all payments to the Bank to be made free and clear of taxes and other claims and, to the extent the

Borrower is required by law to withhold amounts to a bank or its parent the Borrower shall be required to gross up those payments.

**Clawback Amounts:** The financing documents will include customary interest rate recapture language allowing the Bank to recover interest in excess of any maximum interest rate imposed by law.

**Documentation:** The Bond and other documentation will be subject to final negotiation and execution of legal documentation in form and content satisfactory to the Bank.

**Other Terms and Conditions:** Closing of the Bond is contingent on, but not limited to the following additional terms and conditions:

Receipt of evidence of construction permits for the Project, to the extent currently available.

Evidence of that each of Borrower's facilities have all currently required licenses and permits needed for its skilled nursing and senior living facilities.

A current ALTA form title insurance commitment for a loan policy, in the amount of at least \$10,965,000 insuring the first priority mortgage lien in favor of Master Trustee, with such endorsements that Bank may reasonably request from a title company acceptable to the Bank with such exceptions only as are acceptable to Bank.

Bank's receipt of a guaranteed maximum price contract

The construction budget for the Project is subject to a third-party cost analysis by a construction monitor acceptable to the Bank.

All construction draws for the Project will be funded through a title company under the terms of a disbursing agreement. All construction draw requests must be accompanied by the general contractor's statement, a construction progress billing, a third party inspection, a date down endorsement from the title company, and the construction costs must remain in balance with the Bond. The costs of each construction draw will be the responsibility of the Borrower.

Receipt of a certificate of insurance in an ACCORD 27 form on the business assets and real estate, with lender loss payable and mortgagee clauses in favor of the Bank and/or Master Trustee if applicable, with coverage amounts acceptable to the Bank.

ALTA land survey of the real estate covered by the Master Mortgage, sufficient to remove the Survey exception from the Title commitment.

**Indemnification**

The Bank will be indemnified against all losses, liabilities, claims, damages and expenses relating to or arising out of the loan documents, the transaction contemplated hereby or the Borrower's use of Bond proceeds, including without limitation environmental problems, such indemnity to include without limitation reasonable attorneys' fees and settlement costs

In addition to the \$10,965,000 Direct Purchase Bond detailed above, Town Bank is pleased to present to the Borrower a \$1,000,000 Revolving Line of Credit; as more fully described below:

\$1,000,000 Revolving Line of Credit:

**Facility B:** \$1,000,000

**Amount:** 1 Year

**Term:** Interest only, payable monthly, principal due at maturity.

**Repayment:** 30 Day LIBOR plus 175 basis points, floating, no floor

**Rate:**

**Security:** Master Note issued under and secured by the Master Trust Indenture described above.

**Paid in Full:** The Revolving Line of Credit is required to be paid down in full to a zero (\$0) balance for a 30 consecutive day period during the calendar year.

**Additional:** This commitment for the Revolving Line of Credit is subject to closing on the Bond described above.

## **AGREEMENT**

THIS AGREEMENT, dated as of November \_\_, 2016, is between the EVANGELICAL LUTHERAN CHURCH IN AMERICA ("ELCA"), a Minnesota nonprofit corporation, as successor to The American Lutheran Church ("ALC"), and SKAALEN NURSING AND REHABILITATION CENTER, INC., formerly known as Skaalen Sunset Home, Inc., a Wisconsin nonstock corporation ("Skaalen").

### **RECITALS**

ELCA and Skaalen acknowledge the following:

A. Pursuant to (1) the Limited Warranty Deed dated May 12, 1969 from ALC to Skaalen recorded in the Office of the Register of Deeds of Dane County, Wisconsin on June 3, 1969 as Document No. 1242271, (2) the Limited Warranty Deed dated May 12, 1969 from ALC to Skaalen recorded in the Office of the Register of Deeds of Dane County, Wisconsin on June 3, 1969 as Document No. 1242272 and (3) the Limited Warranty Deed dated May 12, 1969 from ALC to Skaalen recorded in the Office of the Register of Deeds of Dane County, Wisconsin on June 3, 1969 as Document No. 1242273 (collectively, the "Deeds"), ALC conveyed the real property described in Exhibit A attached hereto (the "Property") to Skaalen.

B. Each of the Deeds contained the following provision (collectively referred to as the "Right of Reverter"):

It is a condition of this conveyance that should the grantee corporation cease to operate for the purposes for which it is now incorporated, title to the within property shall revert to the grantor, The American Lutheran Church.

C. ELCA was formed in 1988 by the mergers of ALC, the Association of Evangelical Lutheran Churches and the Lutheran Church in America. ELCA is now the beneficiary of the Right of Reverter.

D. Skaalen is renovating and rehabilitating its skilled nursing facility, a portion of which is located on the Property, and the financial institution which is providing financing for such project requires that the mortgage from Skaalen securing such financing have rights superior to the Right of Reverter.

E. ELCA and Skaalen desire to supplement, clarify, and subordinate the Right of Reverter in order that Skaalen and its affiliates will be able, now and in the future, to obtain financing for improvements and additions to its facilities located on the Property, any portion of the Property, or facilities adjoining and related to the use of the Property.

### **AGREEMENTS**

In consideration of the Recitals and the promises and agreements set forth below, ELCA and Skaalen agree as follows:

1. Definitions. In addition to the terms defined in other provisions of this Agreement, the following terms have the following meanings:

(a) "Enforcement Action" means the filing of a foreclosure action affecting the Property by a Mortgagee.

(b) "Mortgage" means any mortgage, deed of trust or similar security document pursuant to which Skaalen grants a lien on the Property in favor of a lender or a trustee or agent on behalf of a lender or group of lenders (the "Mortgagee"), to secure Skaalen's obligations, direct or contingent, to such lender, trustee, agent or group of lenders.

(c) "Remaining Property Proceeds" means any monies obtained from a sale of the Property remaining after all Mortgages have been paid in full and the payment of all costs and expenses incurred in connection with such sale.

2. Events Triggering the Right of Reverter. For purposes of interpreting the Right of Reverter, and subject to Sections 3 and 4 below, Skaalen shall "cease to operate for the purposes for which it is now incorporated" solely upon the occurrence of one of the following events:

(a) Skaalen shall have initiated (i) a proceeding to become a debtor under the United States Bankruptcy Code, (ii) a proceeding seeking its dissolution, liquidation, reorganization or adjustment of its debts under any law relating to bankruptcy, insolvency or reorganization or (iii) an assignment for the benefit of its creditors;

(b) A custodian, receiver, trustee or similar official shall be appointed for Skaalen or substantially all of its property;

(c) Skaalen shall have filed articles of dissolution with the applicable Wisconsin agency or official; or

(d) Skaalen files amended articles of incorporation which materially change the purposes for which it is incorporated without obtaining the prior written consent of ELCA.

In addition, the merger of Skaalen into, or the purchase of substantially all of Skaalen's assets (including the Property) by, or transfer of membership interests to, an organization which is controlled by ELCA, or by a congregation or congregations affiliated with ELCA, shall not cause title to the Property to revert to ELCA.

3. Suspension of Right of Reverter. Notwithstanding the provisions of the Right of Reverter and the occurrence of an event described in Section 2 above, the reversion of title to the Property to ELCA shall not occur and the Right of Reverter is suspended until all Mortgages have been paid in full and satisfied.

4. Termination of Right of Reverter. Upon the commencement of an Enforcement Action, the Right of Reverter shall irrevocably terminate without any further action by ELCA, Skaalen or any other person or entity. Upon such termination ELCA shall have no further right or interest in or to the Property, but shall have the right to receive any Remaining Property



Proceeds as set forth in Section 5 below. In such event, ELCA shall execute any document reasonably requested by Skaalen or any Mortgagee to evidence or confirm such termination.

5. Proceeds of a Sale of the Property During Suspension or After Termination of Right of Reverter. Following a termination of the Right of Reverter under Section 4 or during a suspension of the Right of Reverter under Section 3:

(a) If the Property is sold together with other assets of Skaalen (the "Other Assets") in a single transaction and there are sale proceeds remaining after all Mortgages have been paid in full and all costs and expenses incurred in connection with such sale have been paid, such remaining sale proceeds shall be allocated to the Property and the Other Assets by Skaalen and the ELCA based upon their respective fair market values at the time of such sale. If ELCA and Skaalen do not agree upon the respective fair market values, then such fair market values shall be determined by an appraiser mutually acceptable to ELCA and Skaalen. The costs of such appraiser shall be paid out of the remaining sale proceeds. Promptly after the amount of Remaining Property Proceeds has been determined, such amount shall be paid over to ELCA by Skaalen.

(b) If the Property is sold in a transaction that does not involve the sale of Other Assets, all of the Remaining Property Proceeds shall be paid over to ELCA promptly after receipt.

6. Third-Party Beneficiaries. Each Mortgagee shall be a third-party beneficiary of this Agreement and entitled to enforce its provisions against ELCA or Skaalen, as the case may be.

7. Representation of ELCA. The ELCA represents that this Agreement has been approved by the ELCA Church Council, which is the board of directors of the ELCA, and that no further approvals are necessary or required.

8. Miscellaneous.

(a) This Agreement is the entire agreement between the parties with respect to its subject matter and supercedes all prior understandings and agreements.

(b) Any amendment to this Agreement must be in writing, signed by duly authorized officers of ELCA and Skaalen and consented to in writing by the Mortgagee under each Mortgage existing on the date of such amendment.

(c) All notices under this Agreement must be in writing and sent by first-class mail, overnight delivery or e-mail addressed as follows:

If to ELCA:	Evangelical Lutheran Church in America 8765 W. Higgins Road Chicago, IL 60631 Attn: Office of the Secretary E-mail: Chris.Boerger@elca.org
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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers as of the date written above.

EVANGELICAL LUTHERAN CHURCH IN AMERICA

BY \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

SKAALEN NURSING AND REHABILITATION CENTER, INC.

BY \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

State of \_\_\_\_\_ )  
 ) SS  
County of \_\_\_\_\_ )

Personally came before me on November \_\_, 2016, the above named \_\_\_\_\_, to me known to be the \_\_\_\_\_ of the Evangelical Lutheran Church in America, and the person who executed the foregoing instrument and acknowledged the same.

[Seal]

\_\_\_\_\_  
\*  
Notary Public, State of \_\_\_\_\_  
My commission: \_\_\_\_\_

State of Wisconsin )  
 ) SS  
County of \_\_\_\_\_ )

Personally came before me on November \_\_, 2016, the above named \_\_\_\_\_, to me known to be the \_\_\_\_\_ of the Skaalen Nursing and Rehabilitation Center, Inc., and the person who executed the foregoing instrument and acknowledged the same.

[Seal]

\_\_\_\_\_  
\*  
Notary Public, State of Wisconsin  
My commission: \_\_\_\_\_

This instrument was prepared by and after recording is to be returned to:

William F. Flynn, Esq.  
Reinhart Boerner Van Deuren s.c.  
1000 North Water Street, Suite 1700  
Milwaukee, Wisconsin 53202

## EXHIBIT A

### Legal Description of the Property

#### **Parcel I:**

A parcel of land lying in and being a part of the Southwest 1/4 of Southwest 1/4 of Section 4, Town 5 North, Range 11 East, Dane County, Wisconsin, more fully described as follows:

Beginning at a point on the North line of Ridge Street in the City of Stoughton, which is 693 feet North and 181.5 feet East of the Southwest corner of the above mentioned Southwest 1/4 of the Southwest 1/4 of said Section 4; thence North parallel to the West line of the Southwest 1/4 of the Southwest 1/4, 181.5 feet; thence West parallel to the North line of Ridge Street 66 feet; thence South parallel to the West line 181.5 feet to the North line of Ridge Street; thence West along the North line of Ridge Street 66 feet to the point of beginning.

#### **Parcel II:**

Part of the west half of the southwest quarter of section four (4) town five (5) north, range eleven (11) east, in the city of Stoughton, described as follows: Beginning at the southeast corner of lot four (4) block eight (8) of Holverson's Addition to the City of Stoughton; thence easterly along the north line of Ridge Street 106 feet; thence north parallel to the East line of said Block eight (8) 132 feet; thence west 106 feet, parallel with the line first drawn; thence south along the east line of said block eight (8) a distance of 132 feet to the point of beginning.

#### **Parcel III:**

##### Parcel I:

Lot Two (2), Block Eight (8), Holverson's Addition Blocks 8 and 9, to the City of Stoughton, in the City of Stoughton, Dane County, Wisconsin.

##### Parcel II:

All that part of the South half of the Southwest Quarter of the Northwest Quarter (S $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ ) of Section Four (4) Township Five (5) North, Range Eleven (11) East, lying Southeast of the center line of the Yahara River and West of the East line (extended North) of the plat of Holverson's Addition, Blocks Eight (8) and Nine (9) to the City of Stoughton. Also all of Holverson's Addition, Blocks Eight (8) and Nine (9) to the City of Stoughton and all that part of the West Half of the Southwest Quarter (W $\frac{1}{2}$ SW $\frac{1}{4}$ ) of Section Four (4) Township Five (5) North, Range Eleven (11) East lying West of the East line of said plat and North of the North line of Ridge Street, except the West Fifteen (15) rods of the South Eleven (11) rods thereof, and

except Lots Two (2), Three (3) and Four (4) of Block Eight (8), and Lots Three (3) and Four (4) of Block Nine (9) of said Plat.

Excepting therefrom, however, the following described premises conveyed to Andrew Asbjornson by Quit Claim Deed recorded May 19, 1949 in Vol. 528 of Deeds, page 341: Part of Garfield Street (as platted in Holverson's Addition Block Eight (8) and Nine (9) to the City of Stoughton) and part of the Southwest Quarter of the Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>) of said Section Four (4) Township 5 North, Range 11 East, described as follows: Beginning at a point in Ridge Street which is Two (2) rods South of the Southwest corner of Block Nine (9) of said Plat, thence West along the center of Ridge Street to the East line of the West 247.5 feet of said Southwest Quarter of the Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>); thence North along said East line 247.5 feet; thence East parallel to the North line of Ridge Street to the West line of said Block Nine (9), thence South along said West line to the point of beginning.

And excepting therefrom the following described tract conveyed to Stoughton Hospital Association, by deed dated September 15, 1954: That part of the Southwest Quarter of the Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>) of Section Four (4) Township 5 North, Range 11 East in the City of Stoughton, described as follows: Beginning at a point on the East line of Lot One (1), Block Six (6) of O. M. Turner's Addition, 181.5 feet North of the Southeast corner of said lot; thence continuing North along said East line 100 feet to an iron stake; thence East on a line parallel to the North line of Ridge Street, 181.5 feet to an iron stake; thence South parallel with the East line of O. M. Turner's Addition, 100 feet to an iron stake; thence West parallel to the North line of Ridge Street, 181.5 feet to the point of beginning.

**Church Council Member Synod Contacts  
2016 - 2017**

#	Synod Name	Representative
1A	Alaska	Ms. Leslie Swenson
1B	Northwest Washington	Mr. James Hushagen
1C	Southwestern Washington	Mr. James Hushagen
1D	Eastern Washington-Idaho	Mr. John Lohrmann
1E	Oregon	Pr. Linda Nou
1F	Montana	Mr. John Lohrmann
2A	Sierra Pacific	Pr. Elizabeth Ekdale
2B	Southwest California	Pr. Elizabeth Ekdale
2C	Pacifica	Ms. Meri Jo Petrivelli
2D	Grand Canyon	Ms. Meri Jo Petrivelli
2E	Rocky Mountain	Mr. Gary Gabrielson
3A	Western North Dakota	Mr. Jonathan Splichal Larson
3B	Eastern North Dakota	Mr. John Pederson
3C	South Dakota	Mr. Reid Christopherson
3D	Northwestern Minnesota	Ms. Maren Hulden
3E	Northeastern Minnesota	Pr. Joyce Graue
3F	Southwestern Minnesota	Pr. Joyce Graue
3G	Minneapolis Area	Ms. Cheryl Chatman
3H	Saint Paul Area	Ms. Cheryl Chatman
3I	Southeastern Minnesota	Mr. Allan Bieber
4A	Nebraska	Pr. William Voss
4B	Central States	Pr. William Voss
4C	Arkansas-Oklahoma	Ms. Cynthia Gustavson
4D	N. Texas-N. Louisiana	Ms. Cynthia Gustavson
4E	Southwestern Texas	Pr. Karin Liebster
4F	Texas-Louisiana Gulf Coast	Pr. Karin Liebster

#	Synod Name	Representative
5A	Metropolitan Chicago	Ms. Ingrid Sponberg Stafford
5B	Northern Illinois	Mr. Vernon Veal
5C	Central/Southern Illinois	Mr. Vernon Veal
5D	Southeastern Iowa	Mr. Joseph Nolte
5E	Western Iowa	Mr. Reid Christopherson
5F	Northeastern Iowa	Pr. Chad Huebner
5G	Northern Great Lakes	Mr. Ervin Sparapani
5H	Northwest Synod of Wisconsin	Mr. Hans Becklin
5I	East-Central Synod of Wisconsin	Pr. Peder Johanson
5J	Greater Milwaukee	Ms. Carolyn Jewett
5K	South-Central Synod of Wisconsin	Mr. Hans Becklin
5L	La Crosse Area	Pr. Chad Huebner
6A	Southeast Michigan	Mr. Paul Archer
6B	North/West Lower Michigan	Mr. Paul Archer
6C	Indiana-Kentucky	Pr. Vicki Garber
6D	Northwestern Ohio	Pr. Vicki Garber
6E	Northeastern Ohio	Ms. Marjorie Ellis
6F	Southern Ohio	Ms. Marjorie Ellis
7A	New Jersey	Ms. Christine Connell
7B	New England	Mr. Clarence Smith
7C	Metropolitan New York	Ms. Christine Connell
7D	Upstate New York	Mr. Clarence Smith
7E	Northeastern Pennsylvania	Mr. Jim Jennings
7F	Southeastern Pennsylvania	Mr. Jim Jennings
7G	Slovak Zion	Ms. Andrea Micovsky
8A	Northwestern Pennsylvania	Pr. Dena Gable
8B	Southwestern Pennsylvania	Ms. Pamela Pritt
8C	Allegheny	Pr. Dena Gable
8D	Lower Susquehanna	Pr. Stephen Herr
8E	Upper Susquehanna	Pr. Stephen Herr
8F	Delaware-Maryland	Ms. Emma Wagner



#	Synod Name	Representative
8G	Metropolitan Washington, D.C.	Ms. Emma Wagner
8H	West Virginia-Western Maryland	Ms. Pamela Pritt
9A	Virginia	Pr. James Utt
9B	North Carolina	Pr. Michael Ward
9C	South Carolina	Pr. Michael Ward
9D	Southeastern	Mr. Gary Pederson
9E	Florida-Bahamas	Pr. William Flippin
9F	Caribbean	Pr. L.B. Tatum

## Church Council Member Synod Visit Reports

**Name:** John Lohrmann

**Synod Visited:** Montana

**Visit Date:** June 3-4, 2016

**Purpose of Visit:** On Church Council, I represent the Eastern Washington-Idaho Synod and the Montana Synod. The purpose was to visit, listen and report to the Montana Synod Council and give greetings to the Synod Assembly.

**1. What did you learn about the Synod?** My biggest impression was that this was a very committed, active and joy-filled Synod, and seems focused on their five benchmarks: Meet the Future Boldly, Serve the World, Deepen Faith and Witness, Promote a Unity, and Support Congregations. There was not much business to attend to, so the assembly was a “theological conference” focused on benchmark three: Deepen Faith and Witness, with keynote speaker Luther Seminary Professor Mary Jane Haemig, who spoke to the topic of Christian freedom. The Synod seems quite sound financially, and while due care and consideration was given to budget issues, the approach was matter-of-fact. The Synod has been doing some fundraising for building their own “Synod House” office building and, between what has already been raised and with the pending sale of their current building, it looks like their mortgage will be surprisingly modest. From Bishop Crist on down to the delegates, all attendees were welcoming and friendly. Like my own Synod, the distances in Montana are vast, but it was clear from a discussion about future assembly locations that folks did not mind the travel and looked forward to these annual meetings.

**2. How did the visit deepen the relationship between the Synod and the Churchwide Organization?** I was glad to finally be able to bridge the physical distance and be there as the person who in fact represents them on the Church Council. It was good to give a personal report to the Synod Council regarding our April meeting in Chicago, and briefly summarize the issues that we talked about there. People seemed interested to know about our governance structure and even about The Lutheran Center itself. Hopefully it served as an introduction to Pastor Kevin Strickland’s discussion of the Way Forward Table which took place that Saturday. It struck me that my perspective as a member of Church Council is quite different from that of the churchwide staff representative to these events. I was able to meet our previous representative to Church Council, Pastor Phil Wold, who commented to me that he regretted never being able to attend any of our Eastern Washington-Idaho Synod events. I think that it benefited my relationship to the Montana Synod as well as its relationship to the larger church.

**3. What insights did you gain and what suggestions do you have for future visits?** See above. Since Bishop Crist is no longer on Church Council, I will continue to make an effort to attend at least the annual assembly and Synod Council meeting held in connection therewith. While my attendance was not of any vital importance, I felt it was mutually beneficial.

**Name:** John W. Lohrmann

**Synod Visited:** Eastern Washington/Idaho

**Visit Date:** April 7- 8 (Synod Council) and April 8-10 (Assembly), 2016

**Purpose of Visit:** I am a member of Eastern WAID Synod Council and thus also voting member to the assembly.

**1. What did you learn about the Synod?** On synod council, we completed the second part of diversity training with a professional presenter/facilitator. The synod has started its own campaign in tandem with that of Churchwide. Our synod is very faithful in its mission support (35%) to ELCA – perhaps to a fault. Revenue was down most of 2015 but an incredible giving month in January helped the synod finish strong and on budget. Bishop Wells announced that he would not run again in 2017; he is obviously much loved and respected in the synod and will be missed. Challenges: One church in Pasco, WA closed recently and as many as 10 more (out of 92) are vulnerable for the near future. Biggest challenge is how to serve such a huge geographic area. Our one-year-old experiment with dividing the synod among four part-time “networkers” is encouraging in some respects but discouraging in other respects. Two are resigning after one year and need to be replaced. Questions were asked: Is this a good model? Can the job be done well in these four one-quarter-time positions, or would we be better served simple re-filling the bishop’s assistant position formerly held by Mark Nelson? (I query: might we need both?) Enthusiasm and excitement about our church remain strong.

**2. How did the visit deepen the relationship between the Synod and the Churchwide Organization?** I reported to Synod Council regarding ELCA Church Council activity which was well received. Churchwide Representative Christina Jackson-Skelton did an excellent job representing Bishop Eaton and reporting about Churchwide activities and programs, and led workshops both on the Campaign and the Called Forward Together in Christ inquiry. I think there was good listening both ways.

**3. What insights did you gain and what suggestions do you have for future visits?** See above. I will remain active in my synod during the rest of my term on ELCA Council. See Beth Adams’ (ELCA Foundation) workshop notes made for Christina for the Called Forward Together Workshop—I’d be glad to forward a copy to anyone if needed.

**Name:** Pastor Vicki Garber

**Synod Visited:** Northwest Ohio

**Visit Date:** April 16, 2016

**Purpose of Visit:** Attend Synod Council Meeting

**1. What did you learn about the Synod?** Following is their own description of the Assembly: The Synod is working hard to make the transition from Bishop Lohrmann to the next Bishop as smooth as possible. Rules of the voting process were clearly explained as well as the length of the co-terminus calls of the staff.

**2. How did the visit deepen the relationship between the Synod and the Churchwide Organization?** This synod already has a good working relationship with the Churchwide Organization and they are grateful for the presence of their representative. They are very interested in maintaining good relationships.

**3. What insights did you gain and what suggestions do you have for future visits?** Their way of working with Synodically Authorized Worshipping Committees is helpful. I don't have any particular additional insights at this time.

**Name:** Vicki Garber

**Synod Visited:** Northwest Ohio

**Visit Date:** May 19-21, 2016

**Purpose of Visit:** Attend Synod Assembly, representing Church Council

**1. What did you learn about the Synod?** This was an interesting year to be at the NWOS Assembly because their very popular Bishop Marcus Lohrmann was retiring. That meant that the Assembly was full of celebration of his mission and ministry as well as election of their new bishop. The Bishop-elect Daniel Beaudion has a somewhat similar personality as Marcus.

**2. How did the visit deepen the relationship between the Synod and the Churchwide Organization?** Bishop Lohrmann gives me an opportunity to give a short report. I use that time to express the joys of serving on the council as well as a touch of what is going on in the Churchwide organization. Many people talk with me on breaks and over meals about what it is like to be involved with the Churchwide organization.

**3. What insights did you gain and what suggestions do you have for future visits?** One insight has to do with the way that the bishop relates to the Council representative. Some bishops are more open to the connections made than others I suppose and it will be very interesting to see how this develops under the leadership of the new bishop.

**Name:** Vicki Garber

**Synod Visited:** Indiana-Kentucky

**Visit Date:** Synod Council June 9, 2016 and Assembly June 9-11, 2016

**Purpose of Visit:** Attend Synod Council meeting and Synod Assembly

**1. What did you learn about the Synod?** The assembly this year was running a bishop's election. Bishop Bill Gafkjen was re-elected by 80% of the vote on the first ballot. I think it surprised him that that would happen but it is a reflection on the fine job that he is doing as bishop. This was the most inclusive assembly in my experience in music, content, preaching, praying and break-outs. It was a pleasure to be a part of it.

**2. How did the visit deepen the relationship between the Synod and the Churchwide Organization?** The Churchwide representative (Secretary Boerger) was a gift to the assembly. There was a real sense of connectedness with him. He was fun and good natured but also very informative. The ELCA videos were powerful and moving. Most especially Kathryn Johnson's presentation on the confession and repentance with the Mennonite church was powerful. I think we all came away feeling very good about being Lutheran.

**3. What insights did you gain and what suggestions do you have for future visits?** I would love to see all of our synods make such inclusive efforts for their assemblies.

**Name:** William Flippin, Jr.  
**Synod Visited:** Florida-Bahamas  
**Visit Date:** June 9-12, 2016  
**Purpose of Visit:** Synod Assembly

Florida-Bahamas Synod Assembly was held June 9-12, 2016 in Daytona Beach, Florida. Judith Roberts, ELCA Director for Racial Justice Ministry, served as the Churchwide Representative.

The theme of the assembly was “Let Justice Roll Down Like Waters”. The assembly was challenged to identify concrete steps to counter the impact of racism in our own lives and to be more aware of the dynamics of white privilege, and to counter the impact of racism in culture around us.

The following actions were taken by the 2016 Florida-Bahamas Synod Assembly:

- Elections were held for Synod Council, the Consultation Committee, the Discipline Committee, and for Treasurer of the Synod.
- An amended budget for 2017 and a budget for 2018 were adopted.

“What is in your fishbowl?” That was the question posed by Judith Roberts, the ELCA Program Director for Racial Justice during the Workshop of the Whole on Saturday morning. She encouraged us to turn to a neighbor and tell our fishbowl story; that is, the environment in which we grew up in terms of self-identity (ethnic, gender, socio-economic, etc.), to identify the people who had a strong influence in our lives, and how all that played into our understanding of race and the larger picture of justice. Ms. Robert’s powerful presentation underscored a sentiment expressed by Bishop Schaefer on Friday, “All are equal in the eyes of God. And all means all!”

This year’s assembly was a discipleship assembly and so part of Saturday morning and all of Saturday afternoon centered on missional workshops providing participants with opportunities to learn and to take tools/ideas home with them on a wide variety of topics including Immigration Law, Eco-Justice and your Congregation, Wondering about the Church in a Time of Cultural Shift, An Inclusive Church: Just? What is That?..., to name just a few.

I served as preacher for the Sunday morning worship and lifted up the well-known words of Miranda Rights and contrasted our culture’s need for rights and justice with the amazing righteousness of God that is available through the injustice of Christ’s innocent death and resurrection.

The assembly’s service project this year benefitted the Halifax Urban Ministries, reporting that 2,226 pairs of socks were donated, and that 125 volunteers at the assembly spent 517 hours making 51 sleeping mats out of plastic bags, and that they received additional donations of cash and sleeping bags for the homeless that the agency serves.

**Name:** Linda Nou  
**Synod Visited:** Oregon  
**Visit Date:** April 28-30, 2016  
**Purpose of Visit:** Synod Council Meeting and Synod Assembly

**1. What did you learn about the Synod?** The theme of the assembly was “Back to the Future.” Oregon Synod is a very progressive synod with many cutting edge programs and initiatives. They have raised substantial funds to support five New Beginnings initiatives, each focusing on transformation and growth. Resolutions on Environmental Protection, Allowing

Additional LGBTQ Voting Members, Supporting Oregon's Universal Healthcare, becoming a Sanctuary Synod and trying out a new assembly format were all passed.

**2. How did the visit deepen the relationship between the Synod and the Churchwide**

**Organization?** I had opportunity to continue getting to know the synod staff and church council and learn of their priorities and ministries. I was given time to report at the Synod Council meeting on some of the work of the Church Council. Wonderful hospitality was extended to me and a very collegial spirit was evident.

**3. What insights did you gain and what suggestions do you have for future visits?** Prior to the 2015 assembly cycle, a summary of talking points was prepared for council members to use if so desired. That would have been helpful this year as well. It was helpful to have conversation with Joe Young, the churchwide representative, in advance of the assembly so that we could coordinate a report to the assembly.

to the migration of children and their families around protection, advocacy, representation and opportunities; and

To encourage this church's members, congregations, synods and churchwide organization to continue their work in advocating for migrant children and their families.

The chair declared the motion had been adopted.

**REPORT OF THE EXECUTIVE COMMITTEE (CONTINUED)**

**THEOLOGICAL EDUCATION ADVISORY COUNCIL**

(Agenda III.C.1.)

Vice President Carlos E. Peña called attention to the recommendation of the Executive Committee in the meeting's agenda regarding the Theological Education Advisory Council (TEAC) recommendations and the working group's implementing strategies, which were introduced earlier in the meeting.

Secretary Wm Chris Boerger made the following motion on behalf of the Executive Committee.

**Moved;**

**Seconded:** To claim and name the abundant gifts of our church to create and sustain a network of theological education that serves the mission of the gospel.

There being no further discussion, Vice President Peña invited Mr. Clarence M. Smith to lead the Church Council in singing "Oh Lord, Hear My Prayer" (ELW #751).

The chair called for the vote.

**VOTED:**

**CC16.04.04 To claim and name the abundant gifts of our church to create and sustain a network of theological education that serves the mission of the gospel.**

Vice President Peña declared the motion had been adopted.

Secretary Boerger made the following motion on behalf of the Executive Committee.

**Moved;**

**Seconded:** To approve TEAC Recommendation 1A and accompanying implementing strategies.

There being no further discussion, Vice President Peña called for the vote.

**VOTED:**

**CC16.04.05 To approve TEAC Recommendation 1A and accompanying implementing strategies.**

**TEAC Recommendation 1A: To create a new advisory committee to the Church Council (hereafter the Advisory Committee) whose charge it is to sustain a robust network of theological education for the ELCA and to prioritize and oversee the implementation of the TEAC recommendations.**

*Implementing Strategies:*

- To establish an Advisory Committee as a committee of the Church Council, consisting of nine members. Representational principles of this church ELCA Constitution 5.01.f. are to be used in determining the membership of this committee. Committee members shall be appointed by the Executive Committee of the Church Council.

Committee members shall include:

- 2 members of the Church Council, one of whom shall be named as convener by the presiding bishop
- 1 member of the Conference of Bishops
- 1 member identified by the seminary presidents and chief administrative officers
- 1 member from lay schools of this church
- 1 member from the synod vice presidents
- 3 at-large members

Staff support shall include:

- 1 person from the Office of the Presiding Bishop
  - 1 person from the Congregational and Synodical Mission unit
  - Additional staff as necessary
- 
- Committee members shall serve a term of three-years with no term limits. The initial appointment of members shall stagger terms so that three members would be appointed or reappointed each year.
  - To identify the responsibilities of the Advisory Committee as such:
    - Identify clear goals, outcomes and metrics of assessment to fulfill the TEAC recommendations.
    - Advise the Church Council on the mission, shape and scope of theological education in this church.
    - Monitor and report to the council on the implementation of the TEAC recommendations.
    - With the Office of the Presiding Bishop, the Conference of Bishops and the Congregational and Synodical Mission unit, monitor and encourage the maintenance of a robust network of theological education in the ELCA.
    - Monitor and report to the Church Council the work of the seminaries in developing “a common theological education enterprise” and the work of developing a common learning platform.
    - Report to the Church Council with recommended actions needed to sustain theological education and the theological education networks in this church.
    - With existing seminaries and the other partners in our theological education network, report areas or resources that need to be developed to meet the current and emerging needs of this church.
    - With the Office of the Presiding Bishop, the Conference of Bishops and the Congregational and Synodical Mission unit, identify changes needed for theologically trained leaders for the future of this church.



- o Work with the churchwide organization, the Conference of Bishops, seminaries and lay schools to review and recommend appropriate modification to the funding formula used by the churchwide organization and synods.
- o Work with the Office of the Presiding Bishop and the Conference of Bishops on issues of lifelong learning and rostered leader continuing education.
- o Cooperate with the Executive Committee of the Church Council in an annual review of the committee's responsibilities, with an assessment after two years whether this Advisory Committee should continue.

The chair declared the motion had been adopted.

Secretary Boerger made the following motion on behalf of the Executive Committee.

**Moved;**

**Seconded:** To approve the remaining recommendations and refer them to the Advisory Committee and the Office of the Presiding Bishop for analysis and implementation.

There being no further discussion, the chair called for the vote.

**VOTED:**

**CC16.04.06 To approve the remaining recommendations and refer them to the Advisory Committee and the Office of the Presiding Bishop for analysis and implementation.**

**TEAC Recommendation 1B: To direct the Office of the Presiding Bishop to call on synods and congregations to join the churchwide organization in staffing and resourcing the ELCA theological education network in ways that recognize its centrality to the church's mission and future vitality.**

***Implementing Strategies:***

- To direct the Office of the Presiding Bishop to organize an integrated communication plan that aligns all expressions of this church (churchwide, synodical and congregational) in a clear and compelling campaign to lift up how our teaching and learning ministry is central to the life of faith in the world. This campaign would involve all vehicles available (including print media, social media and personal testimonies by church leaders – rostered and lay) to express the clear message that the baptized are called to hear the Word, ask “What does this mean?”, and live as God's faithful people in the world – the organizing themes of our tradition and the heart of theological education.
- To direct the presiding bishop to work with the Conference of Bishops and the Church Council to develop clear criteria for prioritizing resource alignment within the churchwide and synodical organizations (and by extension, congregations) aimed at enhancing and extending the network of theological education across this church.
- To direct the Advisory Committee to monitor the impact of these alignment efforts for communications and resources, looking for opportunities to enhance these efforts.

**TEAC Recommendation 1C: To strongly encourage the seminaries in leading the development of a common learning platform that can serve to integrate and make widely accessible resources for theological education.**

*Implementing Strategies:*

- To commend the work already underway in crafting a learning exchange and securing funding to operate the learning exchange for at least the first three-year start-up period.
- To request that the seminaries provide a progress report to the fall 2016 meeting of the ELCA Church Council.
- To request that the seminaries share an update on the learning exchange at the 2016 ELCA Churchwide Assembly.

**TEAC Recommendation 1D: To direct the ELCA Research and Evaluation team to support the development of an ongoing robust asset-mapping process that identifies all theological education activity across this church, catalogs it, explores synergies and opportunities for scaling good practices and undoing redundancies, and makes possible an interactive and widely accessible web-based depository of theological education resources across this church.**

*Implementing Strategies:*

- To direct the Congregational and Synodical Mission unit, in consultation with the Office of the Treasurer, Information Technology, to identify potential web-based, interactive models for creating interactive asset maps of program offerings. The requirements of these models will guide information gathering as the maps are developed.
- To direct the Congregational and Synodical Mission unit to work with the Global Mission unit for resources related to Latino theological education and with the Global Mission unit, the Network of ELCA Colleges and Universities, seminaries and synods for resources related to young adult faith formation to identify relevant resources for including in asset maps aimed at each audience.
- To request that the relevant churchwide, synodical and congregational entities use the asset maps for Hispanic and Young Adult theological education resources to engage constituents in the efficacy of such maps for meeting the needs of their communities.
- Based on the results of these “pilot” asset maps, to direct the Congregational and Synodical Mission unit to explore similar maps for other key constituencies for theological education, with the aim of expanding the asset-mapping to include a comprehensive roster of theological education resources for this church and an interactive web-based model for use across this church to identify and use those resources.
- To direct the Office of the Treasurer to work with the Congregational and Synodical Mission unit to explore the resources required to create and sustain the asset maps.

**TEAC Recommendation 2: To link vocational discernment and theological education for specific target audiences within and beyond this church, with a focus on those whose leadership will strengthen the missional future of the ELCA.**

**TEAC Recommendation 2A: To direct the churchwide organization to call on synods, congregations and the ELCA theological education network to join it in encouraging young adults in vocational discernment by expanding model programs such as Project Connect and Youth Theology Institutes at the synodical level to serve as pathways for future leaders in the church.**

***Implementing Strategies:***

- To direct the Office of the Presiding Bishop through Research and Evaluation to, in conjunction with the asset-mapping pilot, take stock of the churchwide resources directed to leadership and discernment and assess their respective impact on calls to church leadership. Among other things, this effort should consider the impact of this church's investment in Young Adults in Global Mission, Campus Ministry, Outdoor Ministry and other young-adult focused programs.
- To direct the Congregational and Synodical Mission unit to work with the Conference of Bishops to explore and develop a proposal to fund and coordinate experiential, immersive church leadership opportunities for young adults across this church. To request that the Congregational and Synodical Mission unit provide a proposal to the fall 2017 meeting of the ELCA Church Council.
- To direct the Advisory Committee, in conjunction with seminaries, synods and the Office of the Presiding Bishop through Research and Evaluation, to identify congregations across this church that regularly and effectively invite and encourage young people to consider church leadership and develop resources and tools that synodical bishops and staff can use to support congregations and rostered leaders to better invite and encourage young people to consider church leadership. The Advisory Committee should consider how sharing or receiving these resources could fit into the pilot project for continuing education requirements.
- To ask synods to designate a staff member or volunteer to serve as a coordinator for young adult discernment and leadership work in the synod, collaborating with partners to explore and regularly offer vocational discernment retreats for young people.
- To ask each of the seminaries to designate one seminary staff member to serve as a regional coordinator and connector for the young adult discernment and leadership work in a given region. This person would, informed by the asset mapping pilot project, seek to connect the various church and extra-church groups doing discernment and leadership for young people, including synods, congregations, ELCA colleges, ELCA seminaries, the Youth Ministry Network, Campus Ministry, Outdoor Ministries, Lutheran Volunteer Corps and intentional young adult living communities.
- To direct the Office of the Presiding Bishop and the Congregational and Synodical Mission unit to convene a leadership and discernment convocation, inviting those across this church identified through the asset-mapping project to come together to explore, vision and plan how this church in all its expressions can more intentionally invite young people into leadership in the church.
- To direct the Advisory Committee to investigate the factors potential candidates consider with regard to the practical realities of church leadership, such as finances, assignment and placement, in order to consider what changes could be made to make church leadership a more welcoming calling.

**TEAC Recommendation 2B: To call upon the seminaries, in collaboration with the Congregational and Synodical Mission unit, the Global Mission unit, The Lutheran World Federation and ecumenical partners, to develop networked theological education programs, resources and opportunities for ethnic-specific communities (for example, a Latino theological education network with the capacity to reach a wide range of geographic locations with growing Latino populations).**

***Implementing Strategies:***

- To direct the Global Mission unit to convene the Congregational and Synodical Mission unit, The Lutheran World Federation and the seminaries to develop a common global theological education strategy and report back to the fall 2016 meeting of the ELCA Church Council.
- To direct the Global Mission unit to convene the Conference of Bishops' representatives and the seminary leadership to develop a strategy to deploy some companion synod funds in service to theological education with our global partners and report back to the fall 2016 meeting of the ELCA Church Council.
- To direct the Congregational and Synodical Mission unit to convene the Conference of Bishops' representatives and seminary leadership to create a strategy on coordinating ethnic-specific leadership training with measurable and realistic goals and report back to the fall 2016 meeting of the ELCA Church Council.

**TEAC Recommendation 2C: To call upon the theological education network to organize and make available a variety of opportunities for education, training and certification of lay leaders for missional service in congregations and communities.**

***Implementing Strategies:***

- To direct the Office of the Presiding Bishop to convene key providers of Life Long Learning opportunities to share, re-imagine and coordinate the learning outcomes of their programs so that they can better advance the mission of the gospel by creating integrated curricular paths for lay leaders. This will serve both individual growth needs and help to link communities of learning.
- To direct the Office of the Presiding Bishop to work with the Conference of Bishops to design appropriate ways to recognize and credential lay leaders who complete a curricular program in theological education so that the various gifts of these leaders – gifts of teaching, preaching, service and so on – might be lifted up and put to work in ways that honor the leaders, build up the church in service to the world and serve the gospel mission.
- To direct the Office of the Presiding Bishop through Research and Evaluation to explore the creation of a social media tool (a la “Linked-In”) that would enable lay leaders to create virtual communities of practice in their work on behalf of the church and the world. Such a tool would allow these lay leaders to communicate with each other; to share good practices, helpful resources and common experiences; and to invite others committed to this work to become part of the community of practice.

**TEAC Recommendation 2D: To authorize the Advisory Committee, in collaboration with the Conference of Bishops and the leaders of theological education network partners, to develop recommendations for how continuing education for rostered leaders can become the norm, widely recognized as essential if rostered leaders are to lead and exercise their teaching office faithfully and effectively in a changing church in a rapidly changing culture.**

***Implementing Strategies:***

- To direct the Office of the Presiding Bishop to work with the Conference of Bishops, in consultation with the Congregational and Synodical Mission unit, to develop consistent requirements for all rostered leaders of this church for continuing theological education – requirements that are communicated as part of the call process, supported by both synods and congregations, and enforced through an annual reporting process monitored by synod bishops and councils (through the appropriate synodical committees).
- To direct the Congregational and Synodical Mission unit to work with the Advisory Committee, the Network of ELCA Colleges and Universities, seminaries and related organizations – with the assistance of Research and Evaluation – to develop a web-based catalog of theological education opportunities – delivered in person, online and in hybrid formats – that are available to meet the continuing theological education requirements for rostered leaders.
- To ask the Conference of Bishops to implement the continuing theological education requirement for rostered leaders on a three-year trial basis across the church, at the conclusion of which the experience of the trial period will be evaluated by the Advisory Committee and revised as appropriate.
- To direct the Office of the Treasurer to determine the human and financial resources needed – through churchwide, synodical and congregational sources – to undertake this recommendation.

**TEAC Recommendation 3: To ensure the mission vibrancy and financial stability of the seminaries of the ELCA as they serve their crucial roles in our theological education network.**

**TEAC Recommendation 3A: To call upon the seminaries of the ELCA in the next three years to form a common theological education enterprise that has the necessary planning structures and appropriate decision-making authority to (1) enable regular strategic sharing of the faculty resources of the seminaries along with other qualified teachers; (2) organize common recruitment and a common application process; (3) generate a common research agenda that serves the flourishing of the church; and (4) enable operational efficiencies that free up the resources needed for expanded work and new experiments in theological education.**

**TEAC Recommendation 3B: To encourage the seminaries, as they pursue the development of a common online learning platform (as stated in Recommendation 1C) that could bring together the theological education resources of seminaries, lay schools,**

colleges, universities and other partners, to include an experimental online portfolio that could support lifelong learning for all the baptized and a continuing education requirement for rostered leaders.

**TEAC Recommendation 3C:** To support the efforts of the seminaries to balance their budgets and increase reserves while also reducing seminarian student debt by exploring alternative organizational models, exploiting underutilized property assets, sharing administrative infrastructure, testing alternative degree models and expanding coordinated scholarships and degree-accelerating arrangements that can make theological education more affordable for more people.

**TEAC Recommendation 3D:** To develop a process for making available synodical and churchwide funds for innovation in both academic and administrative practices as incentives to strengthen the work and financial condition of seminaries.

***Implementing Strategies:***

- To commend to the presiding bishop the convening of seminary presidents, board chairs and representation from the bishops on seminary boards on a regular basis to seek common ground in implementing specific strategies that lead to a more integrated, strategic, faithful and effective theological education system across the eight seminaries of this church. Regular reports on these conversations should be made to the Advisory Committee and concrete plans for collaboration and integration should be documented and supported. Among the key themes for these consultations are:
  - How the concept of an integrated system of theological education can be implemented and governed among the seminaries.
  - Ways in which curricular reform can be integrated and supported across the system.
  - Ways in which student registration (common registrar) can be centrally coordinated/integrated among the schools.
  - Ways in which a common application for all ELCA seminaries might streamline the enrollment process.
  - How enrollment in online educational offerings can be maximized through expanded offerings made available to other campuses.
  - How to establish a cross-bridge between the TEEM certificate and the M.Div. degree through a common program for assessment of demonstrated competencies.
  - How to create and sustain a system-wide research agenda for theological education.
  - How to prioritize faculty sharing (dually appointed), common back office management, distributed-learning and other forms of seminary/seminary and seminary/college collaboration that serves intentional movement toward system-wide coordination.
  - How to establish common accounting and general ledger modules for use by all seminaries.
- To ask seminary leadership, as they develop the shared learning exchange, to include creation of a personal portfolio that can be developed and accessed by each rostered leader in support of his or her lifelong learning goals, and encourage the continuation

- of rostered leader learning cohorts and the formation of cohorts which may emerge out of using the portfolio.
- To call on each of the seminaries to share with the Advisory Committee by September 2016 (a) a progress report on its efforts to move toward meeting the fiscal benchmarks identified in the TEAC report; and (b) a plan of action to advance this work in the next two years, including measures to:
    - Improve liquidity and operating results (Net Income, Net Operating Revenue, Viability and Composite Ratios, student enrollment and student debt)
    - Maximize use of property assets (achieving efficiencies from rental/lease agreements and/or sale of unused property).
    - Coordinate and integrate systems across the seminaries with proposed Common Platform (identify level of involvement, investment and short- and long-term benefits)
    - Establish educational partnerships to reduce costs and improve efficiencies while anticipating increased affordability for students.
  - To request that the Advisory Committee bring the following proposals to the fall 2016 meeting of the Church Council: (a) a proposal for developing a new pattern of establishing benchmarks for synodical support to seminaries, including the designation of some portion of this support for innovative work that the seminaries and their supporting synods together identify as ways to strengthen their partnership in theological education; and (b) a proposed revision of the ELCA churchwide funding formula for seminaries which would be effective at the beginning of the 2017-2018 academic year, designating a portion (10-15 percent) of the total grant to be directed to promote and facilitate measures undertaken by the seminaries to move toward a common theological enterprise that enables operational efficiencies and innovation that free up resources needed for expanded work and new experiments.

Vice President Peña declared the motion had been adopted.

#### **GREETING FROM AN ETHNIC-SPECIFIC MINISTRY ASSOCIATION**

(Agenda II.C.; *Reference*: Ethnic Association Reports)

Vice President Carlos E. Peña welcomed the Rev. Martín J. López Vega Sr., pastor of Iglesia Evangélica Luterana Getsemaní, Caguas, Puerto Rico, who brought a greeting to the Church Council from the Asociación Luterana de Ministerios Latinos.

#### **COUNCIL MEMBERS' OBSERVATIONS OF THE CONFERENCE OF BISHOPS MEETING**

Vice President Carlos E. Peña asked Mr. Clarence M. Smith and Mr. Vernon K. Veal for their observations of the March 2016 meeting of the Conference of Bishops.

Mr. Smith and Mr. Veal shared their thoughts about the meeting and discussed the roles and responsibilities of Church Council members at conference meetings.

## **Theological Education Advisory Council (TEAC) Working Group Implementing Strategies for TEAC Recommendations**

**TEAC Recommendation 1: Claim and name the abundant gifts of our church to create and sustain a network of theological education that serves the mission of the gospel.**

**TEAC Recommendation 1A: To create a new advisory committee to the Church Council (hereafter the Advisory Committee) whose charge it is to sustain a robust network of theological education for the ELCA and to implement the TEAC recommendations.**

*Background:* The TEAC Report stresses the importance and urgency of renewing this church's work in theological education in ways that can serve into the future. Accomplishing this renewal requires the involvement of many partners within and beyond the ELCA. Therefore, it is essential that the Church Council have a means to stay closely connected with developments in our theological education network, to monitor the progress of the implementation of the TEAC recommendations, and to consider what further measures might be needed.

### ***Implementing Strategies:***

- To establish an Advisory Committee as a committee of the Church Council consisting of nine members. The representational principles of this church ELCA Constitution **5.01.f.** would be used in determining the membership of this committee. The committee members shall be appointed by the Executive Committee of the Church Council.

#### Members would include:

2 members of the Church Council, one of whom shall be named as convener by the presiding bishop  
1 member of the Conference of Bishops  
1 member identified by the seminary presidents and chief administrative officers  
1 member from lay schools of this church  
1 member from the synod vice-presidents  
3 at-large members

#### Staff support:

1 person from the Office of the Presiding Bishop  
1 person from the Congregational and Synodical Mission unit  
Additional staff as necessary

- Committee members shall serve three-year terms on the committee without term limits. The initial appointment of members shall stagger terms so that three members would be appointed or reappointed each year.

### **Responsibilities of the Advisory Committee**

- Advise the Church Council on the mission, shape and scope of theological education in this church.
- Monitor and report to the council on the implementation of the TEAC recommendations.



- With the Office of the Presiding Bishop, the Conference of Bishops and the Congregational and Synodical Mission unit (CSM), monitor and encourage the maintenance of a robust network of theological education in the ELCA.
- Monitor and report to the Church Council the work of the seminaries in developing “a common theological education enterprise” and the work of developing a common learning platform.
- Report to the Church Council with recommended actions needed to sustain theological education and the theological education networks in this church.
- With existing seminaries and the other partners in our theological education network, report areas or resources that need to be developed to meet the current and emerging needs of this church.
- With the Office of the Presiding Bishop, the Conference of Bishops and the Congregational and Synodical Mission unit, identify changes needed for theologically trained leaders for the future of this church.
- Work with the churchwide organization, the Conference of Bishops, seminaries and lay schools to review and recommend appropriate modification to the funding formula used by the churchwide organization and synods.
- Work with the Office of the Presiding Bishop and the Conference of Bishops on issues of lifelong learning and rostered leader continuing education.
- Cooperate with the Executive Committee of the Church Council in an annual review of the committee’s responsibilities, with an assessment after two years whether this Advisory Committee should continue.

**TEAC Recommendation 1B: To direct the Office of the Presiding Bishop to call on synods and congregations to join the churchwide organization in staffing and resourcing the ELCA theological education network in ways that recognize its centrality to the church’s mission and future vitality.**

*Background:* The centrality of the teaching ministry of this church requires an intentional and collaborative effort to align both communication about the importance of this work and the resources necessary to accomplish the work across all expressions of the church.

***Implementing Strategies:***

- To direct the Office of the Presiding Bishop to organize an integrated communications plan that aligns all expressions of this church (churchwide, synodical and congregational) in a clear and compelling campaign to lift up how our teaching and learning ministry is central to the life of faith in the world. This campaign would involve all vehicles available, including print media, social media and personal testimonies by church leaders – rostered and lay – to express the clear message that the baptized are called to hear the Word, ask “What does this mean?” and live as God’s faithful people in the world – the organizing themes of our tradition and the heart of theological education.
- To direct the Presiding Bishop to work with the Conference of Bishops and the Church Council to develop clear criteria for prioritizing resource alignment within the churchwide and synodical organizations (and by extension, congregations) aimed at enhancing and extending the network of theological education across this church.
- To direct the Advisory Committee to monitor the impact of these alignment efforts for communications and resources, looking for opportunities to enhance these efforts.

**TEAC Recommendation 1C: To strongly encourage the seminaries in leading the development of a common learning platform that can serve to integrate and make widely accessible resources for theological education.**

*Background:* The early TEAC research demonstrated a need for a high quality learning exchange which could offer first rate learning modules, courses, lifelong learning possibilities, and other learning opportunities for congregations, leaders and new audiences. The seminaries have been working collaboratively with a major donor to develop such a new exchange.

***Implementing Strategies:***

- To commend the work already underway in crafting a learning exchange and securing funding to operate the learning exchange for at least the first three-year start-up period.
- To request that the seminaries provide a progress report to the Church Council at its Fall 2016 meeting.
- To request the seminaries share an update on the learning exchange at the 2016 Churchwide Assembly.

**TEAC Recommendation 1D: To direct the ELCA Research and Evaluation team to support the development of an ongoing robust asset-mapping process that identifies all theological education activity across the church, catalogs it and explores synergies, opportunities for scaling good practices and undoing redundancies, and that makes possible an interactive and widely accessible web-based depository of theological education resources across our church.**

*Background:* There is no one place where all the theological education resources of this church are identified and made known to interested constituencies. An asset-mapping approach would allow for both the cataloguing of those resources and the identification of potential synergies and scaling of good practices across the church. Aware of the potential cost and effort required to build such an asset map from scratch, we encourage the Church Council to call for “pilot” asset-maps for theological education resources dedicated to two key audiences: (1) Hispanic-oriented theological education, and; (2) Young adult faith formation – audiences specifically named in TEAC Recommendations 2A and 2B in the TEAC Report. These pilot maps, if successful, will provide a model for more comprehensive mapping and cataloguing of theological education resources in the future.

***Implementing Strategies:***

- To direct the Congregational and Synodical Mission unit, in consultation with the Office of the Treasurer, Information Technology, to identify potential web-based, interactive models for creating interactive asset-maps of program offerings – the requirements of these models will guide information gathering as the maps are developed.
- To direct the Congregational and Synodical Mission unit (CSM) to work with the Global Mission unit (GM), for resources related to Latino theological education; and with GM, the Network of ELCA Colleges and Universities, seminaries, and synods for resources related to young adult faith formation to identify relevant resources to include in asset maps aimed at each audience.
- To request the relevant churchwide, synodical and congregational entities to use the asset-maps for Hispanic and Young Adult theological education resources to engage constituents in the efficacy of such maps for meeting the needs of their communities.

- Based on the results of these “pilot” asset-maps, to direct the Congregational and Synodical Mission unit to explore similar maps for other key constituencies for theological education, with the aim of expanding the asset-mapping to include a comprehensive roster of theological education resources for this church and an interactive web-based model for use across the church to identify and use those resources.
- To direct the Office of the Treasurer to work the Congregational and Synodical Mission unit to explore the resources required to create and sustain the asset maps.

**TEAC Recommendation 2: Link vocational discernment and theological education for specific target audiences within and beyond the church, with a focus on those whose leadership will strengthen the missional future of the ELCA.**

**TEAC Recommendation 2A: To direct the churchwide organization to call on synods, congregations and our theological education network to join it in encouraging young adults in vocational discernment by expanding model programs such as Project Connect and Youth Theology Institutes at the synodical level to serve as pathways for future leaders in the church.**

*Background:* We need more young people engaged and interested in theological education and leadership. This will involve recognizing and building on the good work being done across the church to engage young people in vocational discernment while strategically pushing a more intentional and proactive effort to invite young people into church and theological leadership.

***Implementing Strategies:***

- To direct the Office of the Presiding Bishop through Research and Evaluation to, in conjunction with the asset mapping pilot, take stock of the churchwide resources directed to leadership and discernment and assess their respective impact on calls to church leadership. Among other things, this effort should consider the impact of the church’s investment in Young Adults in Global Mission, Campus Ministry, Outdoor Ministry, and other young-adult-focused programs.
- To direct the Congregational and Synodical Mission unit to work with the Conference of Bishops to explore and develop a proposal to fund and coordinate experiential, immersive church leadership opportunities for young adults across the church. The unit should present the proposal to Church Council in April 2017.
- To direct the Advisory Committee, in conjunction with seminaries, synods, and the Office of the Presiding Bishop through Research and Evaluation, to identify congregations across this church that regularly and effectively invite and encourage young people to consider church leadership and develop resources and tools that synodical bishops and staff can use to support congregations and rostered leaders to better invite and encourage young people to consider church leadership. The Advisory Committee should consider how sharing or receiving these resources could fit into the pilot project for continuing education requirements.
- To request synods to designate a staff member or volunteer to serve as a coordinator for young adult discernment and leadership work in the synod, collaborating with partners to explore and regularly offer vocational discernment retreats for young people
- To request each of the seminaries to designate one seminary staff member to serve as a regional coordinator and connector for the young adult discernment and leadership work in a given region. This person would, informed by the asset mapping pilot project, seek to connect the various

church and extra-church groups doing discernment and leadership for young people, including synods, congregations, ELCA colleges, ELCA seminaries, the Youth Ministry Network, Campus Ministry, Outdoor Ministries, Lutheran Volunteer Corps, and intentional young adult living communities.

- To direct the Office of the Presiding Bishop and the Congregational and Synodical Mission unit to convene a leadership and discernment convocation, inviting those across this church identified through the asset mapping project to come together to explore, vision and plan how the church in all its expressions can more intentionally invite young people into leadership in the church.
- To direct the Advisory Committee to investigate the factors potential candidates consider with regard to the practical realities of church leadership, such as finances, assignment, and placement, in order to consider what changes could be made to make church leadership a more welcoming calling.

**TEAC Recommendation 2B: To call upon the seminaries in collaboration with the Congregational and Synodical Mission unit, the Global Mission unit, the Lutheran World Federation and ecumenical partners to develop networked theological education programs, resources and opportunities for ethnic-specific communities (for example, a Latino theological education network with the capacity to reach a wide range of geographic locations with growing Latino populations).**

*Background:* In order to strengthen our ministry with ethnic-specific communities, it is important to expand our capacity for theological education that well-prepares and supports leaders in their work. We have resources to do this work, but they are dispersed across many institutions both within and beyond the ELCA. We need to develop networked theological education programs that link up these resources.

***Implementing Strategies:***

- To direct the Global Mission unit to convene the Congregational and Synodical Mission unit, the LWF and the seminaries to develop a common global theological education strategy and report back to the Church Council by the fall of 2016.
- To direct the Global Mission unit to convene the Conference of Bishops' representatives and the seminary leadership to develop a strategy to deploy some companion synod funds in service to theological education with our global partners and report back to the Church Council by the fall of 2016.
- To direct the Congregational and Synodical Mission unit to convene the Conference of Bishops' representatives and seminary leadership to create a strategy on coordinating ethnic-specific leadership training with measureable and realistic goals and report back to the Church Council by the fall of 2016.

**TEAC Recommendation 2C: To call upon the theological education network to organize and make available a variety of opportunities for education, training and certification of lay leaders for missional service in congregations and communities.**

*Background:* TEAC acknowledges that the opportunities for lay leaders to pursue theological education for missional service are numerous across this church, if sometimes redundant and disjointed. The asset-mapping approach suggested in TEAC Recommendation 1D should over time help to make these various opportunities more accessible and integrated. What seems lacking in the meantime are appropriate ways to tie these opportunities together as part of meaningful curricular paths, to recognize the progress lay

leaders make in pursuing these various opportunities as part of an integrated and coherent curriculum, and to create communities of practice among lay leaders. **We aspire to build a culture of high expectations for continuing theological education for rostered and lay leaders across this church.**

***Implementing Strategies:***

- To direct the Office of the Presiding Bishop to convene key providers of Life Long Learning opportunities to share, reimagine and coordinate the learning outcomes of their programs so that they can better advance the mission of the gospel by creating integrated curricular paths for lay leaders. This will serve both individual growth needs and help to link communities of learning.
- To direct the Office of the Presiding Bishop to work with the Conference of Bishops to design appropriate ways to recognize and credential lay leaders who complete a curricular program in theological education so that the various gifts of these leaders – gifts of teaching, preaching, service and so on – might be lifted up and put to work in ways that honor the leaders, build up the church in service to the world, and serve the gospel mission.
- To direct the Office of the Presiding Bishop through Research and Evaluation to explore the creation of a social media tool (ala “Linked-In”) that would enable lay leaders to create virtual communities of practice in their work on behalf of the church and the world. Such a tool would allow these lay leaders to communicate with each other; to share good practices, helpful resources and common experiences; and to invite others committed to this work to become part of the community of practice.

**TEAC Recommendation 2D: To authorize the Advisory Committee, in collaboration with the Conference of Bishops and the leaders of theological education network partners, to develop recommendations for how continuing education for rostered leaders can become the norm, widely recognized as essential if rostered leaders are to lead and exercise their teaching office faithfully and effectively in a changing church in a rapidly changing culture.**

*Background:* If the teaching ministry of this church is to be central to its work in the world, rostered leaders – those charged with creating a teaching and learning community within congregations – must be supported in their efforts to model lifelong theological education and to encourage the baptized in their theological learning and reflection. Currently, there are inconsistent patterns of accountability across this church for lifelong theological education for rostered leaders.

***Implementing Strategies:***

- To direct the Office of the Presiding Bishop to work with the Conference of Bishops, in consultation with the Congregational and Synodical Mission unit, to develop consistent requirements for all rostered leaders of this church for continuing theological education – requirements that are communicated as part of the call process, supported by both synods and congregations, and enforced through an annual reporting process monitored by synod bishops and councils (through the appropriate synodical committees).
- To direct the Congregational and Synodical Mission unit to work with the Advisory Committee, the Network of ELCA Colleges and Universities, seminaries and related organizations – with the assistance of Research and Evaluation – to develop a web-based catalog of theological education opportunities – delivered in person, on-line and in hybrid formats – that are available to meet the continuing theological education requirements for rostered leaders.

- To request the Conference of Bishops to implement the continuing theological education requirement for rostered leaders on a three-year trial basis across the church, at the conclusion of which the experience of the trial period will be evaluated by the Advisory Committee and revised as appropriate.
- To direct the Office of the Treasurer to determine the human and financial resources needed – through churchwide, synodical and congregational sources – to undertake this recommendation.

**TEAC Recommendation 3: Ensure the mission vibrancy and financial stability of the seminaries of the ELCA as they serve their crucial roles in our theological education network.**

**TEAC Recommendation 3A: To call upon the seminaries of the ELCA in the next three years to form a common theological education enterprise that has the necessary planning structures and appropriate decision-making authority to (1) enable regular strategic sharing of the faculty resources of the seminaries along with other qualified teachers; (2) organize common recruitment and a common application process; (3) generate a common research agenda that serves the flourishing of the church; and (4) enable operational efficiencies that free up the resources needed for expanded work and new experiments in theological education.**

**TEAC Recommendation 3B: To encourage the seminaries, as they pursue the development of a common online learning platform (as stated in Recommendation 1.C) that could bring together the theological education resources of seminaries, lay schools, colleges and universities and other partners, to include an experimental online portfolio that could support lifelong learning for all the baptized and a continuing education requirement for rostered leaders.**

**TEAC Recommendation 3C: To support the efforts of the seminaries to balance their budgets and increase reserves while also reducing seminarian student debt by exploring alternative organizational models, exploiting underutilized property assets, sharing administrative infrastructure, testing alternative degree models and expanding coordinated scholarships and degree-accelerating arrangements that can make theological education more affordable for more persons.**

**TEAC Recommendation 3D: To develop a process for making available synodical and churchwide funds for innovation in both academic and administrative practices as incentives to strengthen the work and financial condition of seminaries.**

*Background:* TEAC began its work in fall 2013 to fulfill its mandate from the Church Council “to consider how our interdependent network of theological education providers can best serve the church as it seeks to address in a holistic manner, issues in leadership development, theological education, candidacy and call, and the rosters of this church.” (CC13.04.12). Though the seminaries of this church were not the sole focus of TEAC’s work, it is clear that the vitality of the ELCA seminaries is critical to the entire ecology of theological education in this church. To that end, the following implementing strategies are concrete measures that serve to implement the four specific (and interrelated) recommendations.

***Implementing Strategies:***

- To commend to the Presiding Bishop the convening of seminary presidents, board chairs, and representation from the bishops on seminary boards on a regular basis to seek common ground in implementing specific strategies that lead to a more integrated, strategic, faithful and effective theological education system across the eight seminaries of this church. Regular reports on these conversations should be made to the Advisory Committee and concrete plans for collaboration and integration should be documented and supported. Among the key themes for these consultations are:
  - How the concept of an integrated system of theological education can be implemented and governed among the seminaries.
  - Ways in which curricular reform can be integrated and supported across the system.
  - Ways in which student registration (common registrar) can be centrally coordinated/integrated among the schools.
  - Ways in which a common application for all ELCA seminaries might streamline the enrollment process.
  - How enrollment in on-line educational offerings can be maximized through expanded offerings made available to other campuses.
  - How to establish a cross-bridge between the TEEM certificate and the M.Div. degree through a common program for assessment of demonstrated competencies.
  - How to create and sustain a system-wide research agenda for theological education.
  - How to prioritize faculty sharing (dually appointed), common back office management, distributed-learning and other forms of seminary/seminary and seminary/college collaboration that serves intentional movement toward system-wide coordination.
  - How to establish common accounting and general ledger modules for use by all seminaries. (relates to TEAC Recommendation 3A)
- To request seminary leadership as they develop the shared learning exchange, to include creation of a personal portfolio that can be developed and accessed by each rostered leader in support of his or her lifelong learning goals, and encourage the continuation of rostered leader learning cohorts and the formation of cohorts which may emerge out of using the portfolio. (relates to TEAC Recommendation 3B)
- To call upon each of the seminaries to share with the Advisory Committee by September 2016 (a) a progress report on its efforts to move toward meeting the fiscal benchmarks identified in the TEAC Report; and (b) a plan of action to advance this work in the next two years, including measures to:
  - Improve liquidity and operating results (Net Income, Net Operating Revenue, Viability and Composite Ratios, student enrollment and student debt)
  - Maximize use of property assets (achieving efficiencies from rental/lease agreements and/or sale of unused property).
  - Coordinate and integrate systems across the seminaries with proposed Common Platform (identify level of involvement, investment and short- and long-term benefits)
  - Establish educational partnerships to reduce costs, improve efficiencies while anticipating increased affordability for students. (relates to TEAC Recommendation 3C)

- To task the Advisory Committee with bringing to the fall 2016 meeting of the Church Council both (a) a proposal for developing a new pattern of establishing benchmarks for synodical support to seminaries, including the designation of some portion of this support for innovative work that the seminaries and their supporting synods together identify as ways to strengthen their partnership in theological education; and (b) a proposed revision of the ELCA churchwide funding formula for seminaries which would be effective at the beginning of the 2017-2018 academic year, designating a portion (10-15 percent) of the total grant to be directed to promote and facilitate measures undertaken by the seminaries to move toward a common theological enterprise that enables operational efficiencies and innovation that free up resources needed for expanded work and new experiments. ( relates to TEAC Recommendation 3D)



## **Report and Recommendations from the Theological Education Advisory Council**

When the Theological Education Advisory Council (TEAC) began its work in fall 2013 to fulfill its mandate from the Church Council “to consider how our interdependent network of theological education providers can best serve the church as it seeks to address in a holistic manner, issues in leadership development, theological education, candidacy and call, and the rosters of this church,” (CC13.04.12) one of its first decisions was to conduct a “First Listening” survey. This survey asked a wide range of ELCA leaders to answer three questions: (1) What is the vocation of the Lutheran movement in our North American context? (2) Into what forms and context of public witness and service is God calling this church for which we need to prepare leaders? (3) What kinds of forms of education and contexts will best create the learning and equipping communities need to live faithfully into God’s mission?

When TEAC reviewed a report on the survey responses at its subsequent meeting, it was clear that ELCA leaders see the work of renewing theological education as far more than finding solutions to specific organizational, financial and pedagogical challenges, but as a deeply theological matter<sup>1</sup>. As TEAC continued its work, it became increasingly clear that it was important to make explicit the theological framework that holds together its recommendations and points to how essential it is to consider, improve and act on them.

### **Theological Framework of TEAC’s Report and Recommendations**

TEAC comes to its recommendations out of a deep sense that God is calling us as Lutheran Christians to claim our distinctive theological voice in the world and an equally firm sense that often we do not feel equipped to pursue our callings. The recommendations that follow, therefore, lift up both the promising ministry of the faithful in God’s world and the need for our church to strengthen its teaching ministry to equip the faithful.

#### ***What is the situation we are addressing?***

Our public discourse and practices in the early 21st century are impoverished because the loudest voices tend to garner fear, exclusion, legalism and violence, and these voices often prevent us from naming a vision of life together that illumines God’s intentions for God’s people.

We need voices in the world that speak a theological language of hope, grace, inclusion, reconciliation and compassion that help us name and live into our deepest aspirations as people of faith. We need to equip and sustain those voices. We need to be those voices.

#### ***What are the challenges and opportunities we have as we respond to the dominant voices in our culture?***

As Lutheran Christians, we have daily experiences in our congregations and organizations that illustrate both the challenges and opportunities that we face. Here are several examples:

*“I was leading a Bible Study on Matthew 4:1-11, Jesus being tempted in the wilderness, when I realized that as Lutherans in a river of Cultural Christianity, we are paddling upstream against a current that has been in full force for longer than we would like to admit.*

*I had spent an hour teaching about Jesus in the wilderness. My colleague and I had both done faithful exegesis of the text and talked about Jesus’ true temptation being to deny God’s claim on his life – to shed the identity of “Child of God” and choose instead to live by the rules of this world. We talked about how it was dangerous to superimpose this text onto our own lives and experiences, because while we can try to deny temptations – we are not and never will be Jesus. This, we said, was part of Jesus’ journey to show us that while he was 100% human and capable of being tempted, he was also 100% divine and capable of resisting temptation at every turn. I must have said 20 times, “This is not about US, this is about Jesus.”*

*When we were wrapping up, I asked the final question – “Do you have any questions or comments about*

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<sup>1</sup>For the “First Listening Report” by Kenn Inskeep and Adam DeHoek, see Attachment 1

*today's study?" And the conversation immediately devolved into "How can I resist temptation like Jesus?" and "I need to show this story to my teenager – maybe it will help her resist the temptations she is facing – she needs to be more like Jesus..." and so on. I looked at my colleague and could tell she was feeling just as defeated and deflated as I was.*

*I get it. I really do. Tuning into the local Christian Radio station every day, my congregation members hear over and over about a God who wants us to try harder, be better, and live more moral lives. They hear a WWJD theology that soon becomes all about law and nothing about Gospel. To teach about a God of grace, who calls us "Child of God" despite our inability to resist the temptations of this world is a radical and counter-cultural message. To speak of scripture as first and foremost about GOD and not about US is a truly radical notion. How can our teaching be more compelling? How can we encourage people to tune into this "Free in Christ" theology that is so life-giving instead of tuning into the most popular notion of Christianity that is so deeply embedded in our culture?*

*We keep teaching, and we keep preaching -- about scripture that points us toward the one who died and rose again so we could be free. We search for more and more creative and innovative ways to move into the world with this message of grace that truly transforms hearts and lives. And we hope and pray that one seed planted at a time will grow into a garden of grace that is a gift to the world." (Pastor Kris Capel, Easter Lutheran Church, MN)*

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*"At Augsburg College – like most of our sister ELCA colleges and universities – we serve an ever more diverse student body even as we seek to sustain our identity as Lutheran Christian institutions. All of our undergraduate students take two required religion courses, at least one of which is explicitly grounded in our Lutheran Christian heritage. As these diverse students, representing a wide range of religious and non-religious traditions, are asked to read the Christian scriptures and read Christian theology, the obvious challenge is the sense that we are imposing our theology on those who do not share our faith.*

*Our experience, though, points to a very different dynamic. After initial skepticism about these requirements, our students begin to engage the theological concept of vocation, with its focus on how we are called to lives of meaning and significance in the world. And instead of the sort of careerism that passes for a cultural understanding of vocation – the incessant call for an upwardly mobile trajectory – students learn about what it means to listen for a call, to see vocations as grounded in communities, to understand how all aspects of a life are part of a vocation, even to imagine that your call may require sacrifice. As our religion faculty often recount, these diverse students begin to imagine together a counter-cultural way of understanding their lives in the world.*

*For me, this is what evangelism looks like in the 21st century. In our colleges, we offer the gifts of our Lutheran Christian tradition to all of our students, no matter their own beliefs – gifts like the concept of vocation, the commitment to critical and humble inquiry, the openness to the other, a focus on serving the neighbor and building just communities, and the promise of a reconciling and loving God – not so that they might be converted to our faith, but so they might be equipped to live even more faithful and generous lives in the world. That is the power of our Lutheran theological voices in the 21st century." (President Paul Pribbenow, Augsburg College)*

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*"We live in a post-denominational age where people arrive at our churches, not because they are Lutheran, but because we have music, programming, or a sense of community that they appreciate. As a result, the theologies we encounter in Bible studies and during informal conversations are varied; at times conditioned, or formed, by the traditions they come from or by the myriad of socio-cultural influences that promote fundamentalist religiosities. As pastors and theologians we become hypersensitive to our congregant's belief systems; to how they articulate, or not, their faith; to how they engage, or not, the world around them. We are consistently challenged to teach and articulate why and how Hollywood got it wrong and why and how that author got it right, "for the most part, but he or she*

*missed the mark when making such a generalization or absolute claims about God, salvation, sin, grace..."*

*As pastor of a suburban congregation that welcomes people of all backgrounds and religious experiences, I have become more and more aware of people's theological worldviews. There are women who hang on every word taught by Beth Moore in her books and Bible study series. I have youth and young adults that look forward to movies like, "God's Not Dead" and "Courageous." And we have members who frequently refer to what they heard told by Joel Osteen, Rick Warren, and Joyce Meyer on any given morning. While these can offer some insight on how to live out our faith on a daily basis, they do not provide a theology in keeping with our Lutheran heritage and therefore, can promote theological dissonance and confusion.*

*We understand our call to participate in Christian formation that is based on a theology grounded in gospel messages of unconditional love and grace, authentic reconciliation and transformation, and true justice and peace. If, and when, we teach and preach with this intentionality we can grow into a church that is theologically literate and able to resist the dominant culture and its seductive lure to conform.*

*Responsible and sound theological education is key to the spiritual maturity and, I would argue, the physical growth of our church. The more we understand, the more we'd be willing to share. The more we share, the more we're likely to flourish." (Pastor Leila Ortiz, Good Shepherd Lutheran Church, PA)*

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**Joining with our fellow faithful who share our vision of creation and communities characterized by reconciliation, compassion and hope, we come as Lutheran Christians with a theology grounded in the Gospel and a calling to speak a Word of love and grace in the world God loves so much.**

***How will we renew and recover this Word and our callings as the faithful?***

Our spiritual ancestor, Martin Luther, called us to an understanding of the church as the "priesthood of all believers," a vision of the community of faith that pivoted away from the notion that there was a religious class that carried out the ministries of the church and instead proclaimed that all the baptized were called to be "little Christs" to our neighbors and to be God's hands at work in the world.

In the context of our 21st century lives, we contend that we have a special need to focus on our callings as Lutheran Christians to the ministry of witnessing theologically to a counter-cultural Word. To that end, we must explore with imagination and resolve how we can organize and unleash the resources of our church to equip the baptized to be voices that speak of love and grace, hope and reconciliation, inclusion and compassion – voices that call for us to heal the world God loves so much.

**We call on our Church to reinvigorate its teaching ministry to equip the baptized for this ministry. Specifically, we propose a more integrated understanding and practice of theological education for all God's people – an ecology and a network of complementary, interdependent opportunities.**

***What is the Word we speak?***

At the heart of this calling are our faith tradition's theological claims/charisms that both ground the network and offer a perspective counter to the dominant voices in our culture:

- The gift of Gospel in a world bound by law. We believe that we have been saved through the gift of faith alone and are thereby freed for service to the neighbor and the world. Our theological education network is grounded in the Gospel and should be organized to serve God's loving intentions for the world.
- The gift of Abundance in a world of scarcity. We are called to proclaim that as disciples of Jesus Christ, we believe that there is always more than enough to do God's work. Our theological

education network is framed by this sense of abundance, the belief that the many gifts of our church can be deployed with imagination and resolve to create a robust network of opportunities for all the baptized.

- The gift of Hope in a world of fear. We believe that God is in charge and that we have the gift of a horizon for our lives in the world that counters fear and anxiety and offers the promise of hope. Our theological education network embraces the horizon of hope and focuses on helping the baptized to be beacons of hope in a fearful world.
- The gift of Neighbor-love in a world of radical individualism. Over against the loudest voices in our culture that claim it is all about me, we believe that we are called to love and serve our neighbors around the world and all of God's creation. Our theological education network has, at the heart of its mission and work, a bias to loving and serving all of God's creation.
- The gift of Reconciliation in a world of retribution and division. We believe that we are called to forgive as we are forgiven and to build communities of reconciliation, inclusion and justice. Our theological education network intends to be a model of global inclusion, aimed to serve diverse audiences and to invite all people to God's overflowing banquet table.

***What are the principles that must characterize a renewed network of theological education for our church?***

A network of theological education for our church that serves to both proclaim and model these charisms will be characterized by the following principles:

- The network will itself be viewed as a vocation, a calling by God that is grounded in communities of practice and memory (at all levels), and that challenges us to make decisions and shape its work in ways that may call into question the status quo.
- It will be more of a "Lutheran movement" involving many partners rather than one more Lutheran organization, marked by flexibility, responsiveness and fluidity of boundaries.
- It will honor the mutuality that is at the heart of a healthy teaching and learning community, lifting up the fact that all of us can teach and learn from each other and resisting the hierarchy of the traditional academic culture.
- It will seek to undo redundancies of organizations and programs across the church, combining efforts that work best together, scaling good practices, stewarding well the gifts we have been given, finding consistency that counters one-off initiatives and builds common purpose.
- It will be an inclusive network, organized as a network of diverse people and programs to serve all God's people.

***We humbly come with the following recommendations for reform and renewal of the theological education ministry of our Church in the belief that God calls us to semper reformanda, the call to loving reform that acknowledges that only God knows all and that seeks ways to discern God's will for God's people – our church – in this time.***

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**RECOMMENDATIONS FROM TEAC TO THE CHURCH COUNCIL**  
*(for first reading at Church Council's Nov. 2015 meeting and action at the  
April 2016 meeting)*

**Consultations and Research Underlying TEAC's First Two Recommendations**

Between fall 2013 and the summer of 2015, TEAC convened numerous consultations (and participated in gatherings convened by others) that included a broad range of ELCA leaders in congregations, synods, the churchwide organization, seminaries, colleges, universities, lay schools, campus ministries and outdoor ministers along with ecumenical and global partners. Through these conversations, TEAC gathered a sense of the range of existing and potential partners for our theological education network, what resources they bring to the table, ways the network is already a reality, promising measures to multiply and deepen connections, and crucial ways we need to expand the reach of theological education.

In addition to these face to face consultations, TEAC commissioned a modest asset-mapping project that has pointed to the value of making this a regular, on-going process.<sup>2</sup> TEAC members have been encouraged by what they have learned about the serious conversations already underway among seminary leaders concerning potential collaboration in a common on-line platform that could greatly strengthen and expand our theological education network.<sup>3</sup>

**Recommendation #1**

*Claim and name the abundant gifts of our church to create and sustain a network of theological education that serves the mission of the gospel*

**Proposed actions of the ELCA Church Council:**

- A. To create a new advisory committee to the Church Council (hereafter the Advisory Committee) whose charge it is to sustain a robust network of theological education for the ELCA and to implement the TEAC recommendations.
- B. To direct the Office of the Bishop to call on synods and congregations to join the churchwide organization in staffing and resourcing the ELCA theological education network in ways that recognize its centrality to the church's mission and future vitality.
- C. To strongly encourage the seminaries in leading the development of a common learning platform that can serve to integrate and make widely accessible resources for theological education.
- D. To direct the ELCA Research and Evaluation team to support the development of an ongoing robust asset-mapping process that identifies all theological education activity across the church, catalogs it and explores synergies, opportunities for scaling good practices and undoing redundancies, and that makes possible an interactive and widely accessible web-based depository of theological education resources across our church.

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<sup>2</sup> See Attachment 2

<sup>3</sup> See Attachment 3

## **Recommendation #2**

*Link vocational discernment and theological education for specific target audiences within and beyond the church, with a focus on those whose leadership will strengthen the missional future of the ELCA.*

### **Proposed actions:**

- A. To direct the churchwide organization to call on synods, congregations and our theological education network to join it in encouraging young adults in vocational discernment by expanding model programs such as Project Connect and Youth Theology Institutes at the synodical level to serve as pathways for future leaders in the church.
- B. To call upon the seminaries in collaboration with the Congregational and Synodical Mission unit, the Global Mission unit, the Lutheran World Federation and ecumenical partners to develop networked theological education programs, resources and opportunities for ethnic-specific communities (for example, a Latino theological education network with the capacity to reach a wide range of geographic locations with growing Latino populations).
- C. To call upon the theological education network to organize and make available a variety of opportunities for education, training and certification of lay leaders for missional service in congregations and communities.
- D. To authorize the Advisory Committee, in collaboration with the Conference of Bishops and the leaders of theological education network partners, to develop recommendations for how continuing education for rostered leaders can become the norm, widely recognized as essential if rostered leaders are to lead and exercise their teaching office faithfully and effectively in a changing church in a rapidly changing culture.

### **Consultations and Research Underlying TEAC's Third Recommendation**

Following its October 2014 meeting with seminary presidents, deans, board chairs and synod bishops serving on seminary boards, TEAC began exploring the idea of engaging consultants to help with further exploration of the financial and organizational challenges and opportunities of our seminaries. The firm Baker Tilly was selected to work with TEAC and the seminaries to gather and analyze a wide range of data, to consult with seminary leaders on their campuses about their distinctive gifts, challenges and mission possibilities, to identify underutilized assets, and to generate a range of possible scenarios for moving forward the development of a theological education network that is more far-reaching, more connected and flexible, and more sustainable.

The Baker Tilly team shared draft report materials with both TEAC and seminary leaders over the past several months. They discussed their final report with TEAC in August. They also presented a summary at Bishop Eaton's consultation with seminary board leaders (two from each school) on August 28, 2015. The Power Point presented that day was also shared during the October meeting of the Conference of Bishops and the full report was made available electronically.<sup>4</sup> Key themes, findings and counsel in the Baker Tilly report (BT) are summarized in the following headings and expanded on in the accompanying excerpts from the full document.

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<sup>4</sup> See Attachment 4

***We live in “interesting times” and need to respond to major ongoing changes in the culture, in the church, and in the economy of theological education***

*“Theological education across all denominations is facing challenges like never before as rapid cultural changes have made religious belonging and participation much less the norm. These include unprecedented decreases in mainline denomination membership, reductions in numbers of congregations, and reductions in those seeking careers in ministry and related fields. The ELCA theological education network and institutions also face serious challenges related to their current fiscal position, constrained resource levels, and resources that are tied up in underutilized assets.*

*(BT Final Report, p. 1)*

***In such a time as this, the renewal of theological education necessarily happens through experimental innovation—which requires calculated risks and open assessment***

*“The ability to experiment and innovate to meet emerging and ever-changing mission-based demands requires more flexibility in aligning assets and programs, a repurposing, if you will, of existing resources toward the most impactful and urgent opportunities. It also requires the ability to take calculated risks in trying new approaches, accepting that there is no guarantee that every approach tried will have the intended outcomes. In other words, having the financial bandwidth to have failed experiments is critical as the ELCA considers how it will respond to meet mission needs of the future.” (BT Final Report, p. 1)*

***We are not currently putting our property assets and faculty resources to their fullest and most effective use***

*“ . . . the level of physical assets currently committed is at a level which exceeds the optimal level for the currently enrolled student population . . . . There is too much space for current needs. This excess capacity should either be repurposed for expansion of mission, sold for one-time revenue, or rented for recurring revenue...”*

*While it is recognized that each seminary has its own ethos and academic emphasis, our conversations across campuses identified faculty sharing as an approach to aligning resources to mission.*

*In many cases individual seminaries have right-sized faculty positions to the point where further reductions will harm their ability to be a viable quality education institution. However, there is still a need to align specialization with student demand to ensure that student demand is optimized.” (BT Final Report, p.14)*

***Transformation will require collaboration that makes possible more productive use of currently underutilized resources***

*“The transformation of the delivery model needs to accomplish several things, most notably alignment of resources in a manner that expands the reach of theological education, is flexible in supporting the needs for rostered leaders, and is funded within recurring and reliable resources. Collaboration to optimize resources is a critical component of that transformation. Starting within the ELCA there are many opportunities to collaborate.”*

*(BT Final Report, p. 11)*

***ELCA seminaries have been working hard to innovate and partner for the sake of mission***

*“The seminaries and their individual boards continue to work diligently to address issues of sustainability from both mission and fiscal perspectives. Seminaries have been entrepreneurial in locating partnerships across a variety of entities to enhance academic programs, foster academic and administrative shared services agreements, and offer combined degrees. Seminaries often look to local partners before ELCA seminary partners, and in fact, significant cross collaboration on shared courses occurs with non-ELCA seminaries (e.g., Graduate Theological Union, Association of Chicago Theological Schools, etc.).*

*Likewise, innovation is occurring relative to expanded or enhanced mission focus across all campuses building on the distinguishing attributes of each seminary. Specifically we noted the following innovations to be celebrated:*

- *Revised Master of Divinity program approaches*
  - *Revised program length to address debt issues*
  - *Revised focus to enhance leadership development*
  - *Increased time in and/or changes in sequencing of onsite placements*
- *Increased partnerships for emerging ministries*
  - *Rural Ministries (e.g., cross seminary efforts)*
  - *Urban Ministries (e.g., nonprofit partnerships)*
  - *Emerging Population Ministries (e.g., TEEM)*
  - *Ecumenical/Interfaith Centers (e.g., Islamic Studies and Interfaith Relations)*
  - *Multi-vocational leaders*
- *Expansion of those educated, and strengthened congregation and seminary relationships*
  - *Seminary Advocates*
  - *Sponsored Congregational Leadership Development Events*
  - *Online Education for Lay Leaders*
- *Collaborative recruitment at ELCA Colleges and Universities*
- *Distance Learning offerings” (BT Final report, pp 15-16)*

***The work of innovation needs to become more systematic within seminaries, more connected between them, and more reliably resourced***

*“However, these innovations are occurring in pockets and do not currently exhibit broad based sharing of either expertise for experimentation or results for effective implementation of effective practices. In fact, a lack of resources consistently available for innovative efforts restricts the ability to conduct meaningful and data driven experimentation in a manner that will have long-term impacts on the attraction and development of church leadership nationwide.*

*Thus, unfortunately, the potential for mission expansion is continually burdened for most by a required focus on financial challenges (e.g., structural deficits, overextended student debt, the constant pressure of fundraising, and burdensome reliance on endowment).” (BT Final Report, p.16)*

***Transformative change that expands mission requires all the stakeholders to come to the table and be responsible to each other***

*“The power to make significant change resides at the local (seminary) level. In fact, under the current ELCA bylaws, while the ELCA has authority to “sponsor, support, and provide for oversight of seminaries” . . . each seminary is a separately incorporated entity with a separate governing body that holds the power to make all strategic decisions.*

*The difficult challenge is that while the “power” resides at the individual board level, the desire for change impacts stakeholders throughout the entirety of the Church. As such, it is imperative that all stakeholders convene to develop an attractive strategic plan that promotes sustainability in the broadest sense. The level of involvement in a new strategy to transform theological education by ELCA churchwide is ultimately the decision of each seminary board; however, that being said, the tremendous benefits of a common vision, central oversight approach, consistent and reliable funding source, and convener of impactful initiatives should not be minimized.” (BT Final Report, p. 17)*

***Baker Tilly’s report offers a “model matrix” as a resource for considering what organizational structure(s) can best serve sustained innovation for the sake of mission***

*“One question is: can eight independent institutions find a way to individually or collectively achieve sustainability and contribute resources to help meet the educational needs identified by TEAC? That*



*question, in turn, leads to speculation that there might be a better way to corporately configure the institutions so that resources may be repurposed to meet those needs. There is no easy answer and until the model or paradigm shift is determined, executing on the logistics of the model is not feasible. However, understanding the impacts and risks of each potential approach is critical to finding the solution . . . (BT Final Report, p. 3)*

*“The governance options presented in this report provide a broad continuum of centralized and locally focused governance intended to drive discussion about the greatest point of sustainable impact . . . The governance models offered provide the information required to objectively view various options towards sustainability of which the recommended solution may be somewhere in between or a combination of all of the above. (BT Final Report, p. 18)*

The four action items under recommendation #3 have been developed during several TEAC meetings (going back to fall 2014) in an iterative process that has included conversations along the way with churchwide, synodical and seminary leaders. The work of the Baker Tilly team has been very helpful both in grounding these conversations and in opening up imagination to new possibilities. The following recommendation and action steps are modest in that they do not provide a fully definite picture of how our seminaries should be organized in the future nor a detailed roadmap for how to get there. At the same time, they are ambitious in that they call for something very new (“a common theological education enterprise”) that achieves major outcomes on a short timeline that will require strong, persistent engagement both by the seminaries and by the rest of the ELCA.

### **Recommendation #3**

***Ensure the mission vibrancy and financial stability of the seminaries of the ELCA as they serve their crucial roles in our theological education network***

#### **Proposed actions:**

- A. To call upon the seminaries of the ELCA in the next three years to form a common theological education enterprise that has the necessary planning structures and appropriate decision-making authority to: (1) enable regular strategic sharing of the faculty resources of the seminaries along with other qualified teachers; (2) organize common recruitment and a common application process; (3) generate a common research agenda that serves the flourishing of the church; and (4) enable operational efficiencies that free up the resources needed for expanded work and new experiments in theological education.
- B. To encourage the seminaries, as they pursue the development of a common online learning platform ([as stated in Recommendation 1.C](#)) that could bring together the theological education resources of seminaries, lay schools, colleges and universities and other partners, to include an experimental online portfolio that could support lifelong learning for all the baptized and a continuing education requirement for rostered leaders.
- C. To support the efforts of the seminaries to balance their budgets and increase reserves while also reducing seminarian student debt by exploring alternative organizational models, exploiting underutilized property assets, sharing administrative infrastructure, testing alternative degree models and expanding coordinated scholarships and degree-accelerating arrangements that can make theological education more affordable for more persons.
- D. To develop a process for making available synodical and churchwide funds for innovation in both academic and administrative practices as incentives to strengthen the work and financial condition of seminaries.

## First Listening Report for the Theological Education Advisory Council

Kenneth W. Inskeep and Adam DeHoek  
Research and Evaluation  
Evangelical Lutheran Church in America  
December, 2013

Members of the Theological Education Advisory Council (TEAC) were asked to distribute a set of questions to individuals (and groups) to help inform the work of the Council. As of December, 126 individual responses had been received by Research and Evaluation and this is an initial report on those responses. We have also reviewed the responses we received from five seminaries and provided a very short summary at the end of this report.

### **Question 1: What is the vocation of the Lutheran movement in our North American context?**

While Lutherans have no exclusive claim to an emphasis on the graciousness of God, it is central to the Lutheran tradition and when asked about the vocation of the Lutheran movement in North American, many formed their response around this and other central Lutheran themes.

*The vocation is the steadfast proclamation of grace, and boldly proclaiming and living out radical inclusivity and the celebration of diversity.*

*The vocation is to bring the theology of grace to bear. For that we need both to continue to delve into a theological understanding of Grace and how it impacts everything we do and say and we need to develop a practical theology of grace that impacts our actions.*

*When it comes to teaching the faith, it is increasingly my experience there is a hunger in Lutheran congregations for understanding our Lutheran Confession of faith—and not only historically and how it is our lens for understanding scripture, but also in relating to the world around us in ways that are not only meaningful and relevant, but are also acted upon and articulated with a Lutheran understanding of our faith . . . in sacramental ways . . . giving flesh and life to God's grace that we have in Christ Jesus.*

*Our vocation is to live into the paradoxes of the Lutheran life: saint/sinner, law/gospel, etc. We are called to preach the gospel of grace through faith with both our actions and our words.*

*We are called to live a life reflecting Christ's love alongside the people in the communities we serve by meeting them where they are in life, seeking to engage in authentic relationship, and living in a grace-filled way to accompany others in life.*

*In short, to communicate and respond to God's grace.*

*Our vocation is to serve boldly in the name of Jesus Christ, embodying His love, grace, forgiveness, and peace through daily ministry with and for a world in need. We are to seek out those places of brokenness and opportunity, sharing our gifts in community to the glory of God and for the sake of the world, inviting others to come to know the unconditional, redeeming love of our Savior.*

*In this context, what's the witness of Lutherans, which we speak best? And if we don't speak it well, it won't get said? Three things: 1) Incarnation: God loved us enough to become one of us; 2) grace: that love is utterly surprising, unconditional, ecstatic; 3) death and resurrection, that mysterious breaking and re-making that fashions a new creation that is really new, not the old creation warmed over.*

*The unique charisms of the Lutheran movement in the North American context involves bridging the catholic and evangelical traditions, i.e. honoring the scriptural and liturgical traditions we have inherited while maintaining a strong emphasis on God's saving work in Jesus Christ and a realistic assessment of humanity's limited capacity to save ourselves. With all Christians, we share the call to reveal God's saving work in every context in which we find ourselves, continuing Christ's ministry of compassion, healing, forgiving, liberating and reconciling.*

Embedded in the responses were at least two additional components of the vocation which describe the great potential of the movement.

1. There was an emphasis on education—being a learning community including the use of approaches which are relational and which produced and are further informed by service. This Lutheran approach to education is a response to God's grace which, in turn, generates a vocation intent on contributing to a better life for all.

*I think the Lutheran church should work harder at being relationship-centered—in the context of building relationships through intentional listening and actively caring about individuals within the church community, whether churched or unchurched. Pastoral leaders are expected to care for their parishioners and they can help those they serve by being good listeners, and not necessarily problem solvers, while sharing God's love.*

*To receive and hold Jesus' Word of Grace and build faithful Christian communities around it and to allow it to motivate us toward service and partnership with others.*

*The vocation of the Lutheran movement is, along with other Christians, to offer others an experience of God's grace in a word of forgiveness, an unbidden act of kindness, in a cup of cold water, in food, shelter, clothing, in setting the prisoner free, in worship, fellowship, and stewardship. The particular charism of the Lutheran tradition is to be unrelenting about grace, which involves a radical commitment to telling the truth about what it means to be human and what we know about God. Although, we do not often talk about or practice things that reflect it, I also believe that the Holy Spirit is calling us to engage new people*

*who are not in church, who are interested in God. In this case, our vocation is to listen, learn and wonder and worship together with others who may not have as set an understanding of who God is.*

*I think an even more critical role for the Lutheran movement involves its local congregations. When Lutheran congregations cling to their own best traditions (including, at least in my mind, essential law and gospel distinctions, the transformative power of the preached Word, a deep love of sacramental worship, great freedom with regard to tradition, and a provocative, paradoxical understanding of Christian ethics) they provide powerful and significant “instances” of the Body of Christ. In other words, the Lutheran movement can make for some unique and vital Christian congregations. It’s my hope that these congregations continue to survive in the ‘marketplace’ of North American organized religion—principally because they are a gift to their members, the broader community, and the Church of Christ in that place.*

*To connect people to God’s grace in such a way that they are empowered to serve and love, rather than squabble and grasp at power.*

*We are a people that understand the promise and value of paradox (sinner and saint, ancient and future, right now and not yet), a gift to a North American society that is filled with ambiguities. As our society transitions from modernity into post-modernity (for I do not believe we are entirely post-modern yet), our ability to speak confidently and clearly about the nature of our loving God and God’s use of paradox and grace will speak powerfully to this North American context.*

2. There was also the perception Lutheran potentially offers a strong alternative many might find compelling if only more were aware of it. This alternative is based in a communal experience of God’s grace which is not dogmatic but remains faithful to Lutheran theological convictions.

*I think the specifically Lutheran understanding of Grace and Vocation are much needed in the North American context. The idea that God comes to us as a gift of grace and not as a result of our own achievement is a message US Americans desperately need. We need to equip our members to be willing and able to articulate this understanding in a clear and affirming way.*

*Time and time again I find people discover the radically open theology of the ELCA to be refreshing and warming; however, they seem unaware that such a theology existed. If I had to synthesize I would say that the vocation is to reach out to others, as it has always been. However, this is not meant to be a conversion, but more of a “witnessing through witnessing” to steal the language of Brian McLaren.*

*In a culture based on fear of the other, and fear of rejection, the Lutheran take on Christianity offers a God who accepts us unconditionally, freeing us from saving ourselves*

*and fearing others. It opens the door wide for us to equip all the baptized to live out their vocations in the world, serving others rather than saving themselves.*

*To bring the hope of the gospel, justification by grace through faith, to a continent in bondage to works righteousness and tit-for-tat living. To let the continent know that there is church where questions and doubt are accepted as part of the faith journey, and where faith is not expressed or practiced as in the judgmental way of the most visible forms of Christianity in North American—fundamentalist and cold evangelicalism.*

*Ultimately, the North American context reveals a deep longing for true relationship. Lutheran theology is well at home in this context, valuing dialogue over diatribe and paradox over pat answers. Therefore call and equip leaders who are comfortable in the messiness of life and faith, who are willing and able to engage in meaningful conversation. "Orthodoxy" may be seen as our trump card in the conversation, but we should perhaps lead from a position of serving and mutual respect. Lutheran folk have the theology that embraces the broken and the redeemed parts of life. Claimed and called in Baptism. This is as "real" as it gets! This certainly does not mean that we compromise our Lutheran identity. In fact, just the opposite - our Lutheran identity is perfect for this context. Be Lutheran to the core and not ashamed of it!*

*I believe our vocation is to be a voice for God's grace, unattached to our potential to earn, achieve, or purchase that grace. I believe that we are uniquely positioned theologically to offer food for the deep craving that many people express and seek to fill in a variety of ways. Our understanding of care of neighbor and creation because of our freedom speaks to generations who find meaning and truth in service and experience of community in what would be considered 'non-traditional' contexts.*

*We have an amazing emphasis on God's grace, and an amazing world-view that is, generally speaking, open-minded and open to differing views. We offer a different flavor of Christianity that does not fit into the stereotypes of American Christians. We need to claim this niche and use it to serve others and share Jesus' love with them.*

*To build and equip communities around the Gospel of Jesus Christ in a manner that connects to people who are increasingly suspicious or uninterested in institutional religious structures.*

*To be able to answer the question, 'Tell me about Jesus' with each other, and more importantly, with the people who are not presently Lutheran or even Christian. Could we dare suggest that our answers might be changed/affected by what we hear from each other, or (gasp) from the afore mentioned "Nones?" I believe the people of this North American context we seek to serve would be intrigued by such a witness.*

These two components of a vocation grounded in traditional Lutheran themes suggest finding a compelling and functional answer to two related questions might be key to the future of the Lutheran movement in North America.

1. How can Lutherans be simultaneously non-dogmatic and faithful?
2. How can the truths or insights Lutherans hold be more available, more easily recognized, understood, and embraced by more people?

Working toward a better and wider cultural understanding of ELCA Lutheran commitments is ambitious particularly in a world which appears to be increasingly uninterested in the role of theology in making important distinctions. Or, put differently, it is an ambitious goal in a culture where many believe theological distinctions are more likely to produce maliciousness than good. This goal also challenges what appears to be the case for a typical ELCA Lutheran. For example, one issue is the extent to which ELCA Lutherans are willing to claim some level of “truth” for their beliefs especially in contrast to the beliefs of others. To illustrate, we have included the following from a 2008 survey of Lutheran congregational leaders from the survey panel *Lutherans Say . . .*<sup>1</sup>

#### *A Lutheran Theological Identity*

*While these Lutheran leaders are typically not literalists, they also hold beliefs that are not clearly identifiable as Lutheran. These Lutheran leaders are, at best, ambiguous in terms of a Lutheran theological identity. They are not, for example, convinced Lutheranism as a theological system is better than any other theological system. Seventy-six percent “agreed” or “strongly agreed” that no Christian group can legitimately claim its beliefs are more true than those held by any other Christian group. Forty-six percent “agreed” or “strongly agreed” and 22 percent were “not sure” that “it is possible for a faithful follower of any religion, including Islam, Hinduism, or Buddhism, to find the truth about God through that religion . . . . Perhaps most significant is the proportion of these leaders who accept a high view of the capacity of individuals, as individuals, to respond positively to God. Again, it is very difficult to sort out nuances among different theological points of view using a questionnaire, but when these leaders were asked to agree or disagree with the statement “Salvation is freely given by God but only to those who have made a decision to accept Jesus as their personal savior,” 62 percent of the respondents “agreed” or “strongly agreed.” Nine percent said they were “not sure” while 22 percent “disagreed” and 7 percent “strongly disagreed.” When asked to respond to the statement “It is possible by honoring God and with God’s help to overcome sin and live a holy life,” 73 percent of the respondents “agreed” or “strongly agreed.” When asked to respond to the statement “Those who honor God are often blessed materially,” 31 percent of the respondents “agreed” or “strongly agreed.”*

#### *Divergent Responses*

There were very few divergent responses among the TEAC respondents. Perhaps the selection process produced a group of similar mind. Nevertheless, the following comments show somewhat divergent views.

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<sup>1</sup> *Lutherans Say . . . 6, 2009*, was a survey of lay leaders who receive the ELCA congregational resource “Seeds for the Parish”. A full report of the survey is available from Research and Evaluation, ELCA.

*It is unclear where the Lutheran movement is headed in our so called North American context. I am asked over and over again by Lutheran church members of diverse backgrounds, races and ethnic groups, "What is our Church up too and trying to prove"? Congregants are saying we seem to have lost our way. Some say the Good News has become watered down. Others say we need to market the Pentecostal staff driven model and worship style. I say the Church is in danger of letting the world dictate its future, as head knowledge seems to prevail over and above the foundational teachings of the Lutheran Church. No doubt, we the church must look at the culture and the masses, and ask God to help us share the message "GRACE" with Holy Spirit fire.*

*I would stay away from this kind of religious language! [Referring to how Question 1 was worded.] I do not even know what this questions means! Love God and love neighbor as yourself. Keep it simple. Emphasize the message of Jesus. Make the message relevant to our lives.*

*People are not looking for a Lutheran church, they are looking for God. Therefore, spend less time talking about what it means to be a Lutheran in a multi-denominational culture and more time talking about what it means to be a Christian in an increasingly skeptical and unbelieving culture. We do not witness to the Lutheran church but to Jesus. We need leaders who grasp this paradigm shift. We will learn this better from other denominations and expressions rather than our own.*

*I believe we are being called to open our minds and hearts, our theologies and liturgies and discover again what it means to reclaim faith as trust in the living God (and not a subscription to a set of beliefs). I believe we are being called to create ways in which seekers/nones/the lapsed can gain an experience of the living God (not 'learn' about God). I believe we are being called to find new ways to create genuine community (instead of fostering membership with a mug and a new member class). I believe we are being called to lay down our theological and confessional weapons and open ourselves up to how God might be at work in our world, changing not only those around us, but us, too. Leaders need to be conversant in the ways in which non-church people understand and come to faith, what sorts of communities they are longing for, and how to engage and build those communities.*

**Question 2: Into what forms and contexts of public witness and service is God calling this church for which we need to prepare leaders?**

The responses to this question were overwhelming focused on preparing leaders to engage a social context in which traditional congregations are increasingly marginalized.<sup>2</sup> To a great extent, this may have been a function of the focus of the question on "public" witness and service assuming what happens inside a congregation is "private". In this case, leadership means having the ability and taking

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<sup>2</sup> Defining tradition as a community with a stand-alone building where worship is held weekly, with a professionally trained leader responsible for Christian education and the pastoral care of members.

the initiative to express and act upon, in everyday life, one's commitments as a Lutheran Christian. The focus of this church on leadership should be to assist in creating the conditions under which this happens.

*We need leaders of all sorts, not just pastors and rostered leaders, but community leaders, parents, professionals who can speak in ways that are biblically literate, theologically sound, and free of jargon. We need to put the best resources of our tradition, biblical and confessional, in new language. Ears are hungry to hear, but we have to say it fresh.*

*We need to become a church that prepares its members to understand their home life, their work, their schooling, and their daily tasks as infused with meaning and God's presence.*

*We need to move beyond "inviting others to join us" (welcoming), and gain comfort in speaking a word of faith into our ordinary and daily lives and circumstances. Congregations that continue to thrive need to be encouraged to see themselves in real partnership beyond their own comfort and community –for accompaniment even more than for service.*

*Increasingly I think that we need leaders who can lead Eucharistic communities whose primary function is not necessarily to worship, but to serve in their communities and around the world. Such leadership might take the form of programs housed by larger congregations, or they might resemble non-profits in their structure. And, perhaps most importantly in the new age of Christianity, we need leaders in dialogue. We must be able to talk with our neighbors to come to common understandings, to work for the common good, and to heal each other's hurts. To this end, we need must prepare leaders who can engage in interfaith dialogue, intercultural dialogue, and constructive political dialogue. And we need to prepare leaders to listen so that they can start dialogue in their own communities about the shapes and directions of the future.*

*The entire Christian Church in North America (not just Lutherans) has focused much too heavily in the past 60 years on meeting the needs of its members. In that sense, denominations and their leaders have fallen into the same trap as politicians – giving people what they want in order to encourage and reward their financial support. It is vital to the spiritual health of congregations, synods, the wider church, and church leaders to focus the attention of congregations on mission and ministries that extend beyond the walls of individual congregations.*

*Our congregations have for too long been places where people had their needs met, without being sent out to meet the needs of the world. We need to form/equip leaders who can both cast a vision and help people own and live it. Those leaders will meet huge resistance, and thus they need to be well skilled in both systems thinking and Lutheran Theology. In addition, when people actually do begin to engage their communities, they*



*are unable to share how/why their belief in Jesus has freed them to be of service to others. They don't know the Biblical story well enough to actually speak with confidence about how their lives are a continuation of the Biblical trajectory.*

Again, there was an occasional dissident voice questioning the very premise of the question.

*Don't jump so quickly to public witness and service. Leaders need to be educated to welcome, orient, and incorporate people into communities of faith grounded in worship, study, and service. It is not at all clear that seminary education connects with these primary pastoral responsibilities. There seems to be little education in formation or education, little education in the central things of worship and prayer, little education in discerning service appropriate to one's location.*

*A good grounding in Bible, preaching, pastoral care and music will enable leaders to deal with just about any form or context they find themselves in.*

According to a significant number of respondents, the qualities of these outward-focused leaders include:

- a deep concern for those who are on the edges or outside mainstream society
- a love for those being ministered with
- the ability to be inspiring
- the ability to ground pastoral work in a secular, complex, interdependent and emerging world
- being adept and passionate about worship leadership, Christian education, stewardship, pastoral care
- the ability to teach and articulate the faith
- the ability to equip the laity to understand and live out their ministry in their daily life
- the ability to understand, appeal to, and organize the 'nones'
- the ability to host respectful conversations

The prevalence of responses stressing an outward focus raises an important challenge. Recent survey work with clergy ordained in 2006 suggests a pastor with high debt may be more compliant with the existing norms of congregational life and more cautious about making difficult decisions or taking any actions in a congregation which may produce conflict.<sup>3</sup> Several of these pastors were interviewed and some indicated they were so anxious to receive, accept, and begin working in a call (in part to begin to pay down their debt or at least to stop incurring it), they wanted to do nothing which might jeopardize their future in that call. These findings should be set alongside those from recent survey work with lay leaders in congregations conducted in support of the ELCA's Living into the Future Together (LIFT) task

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<sup>3</sup> This finding is made as a part of the forthcoming report from Research and Evaluation on the Lilly funded M.Div. student debt project. The report will be available from Research and Evaluation, ELCA. The survey work with ELCA clergy ordained in 2006 involved the participation, in various ways, of about 100 clergy.

force.<sup>4</sup> This work showed ELCA congregational leaders like their congregations and are not interested in changing them. It also found the vast majority of congregational leaders believe the main problem is the predominant beliefs and attitudes in the wider culture and there is little they can do in the face of these powerful trends.

Finally, research on congregational vitality in the ELCA has found that member assessments of vitality are considerably more positive than those of the congregation's pastor.<sup>5</sup> In an attempt to understand why this is the case, it became very apparent members and pastors define vitality differently. For most members, a congregation is vital if there is little internal conflict and it has sufficient resources (financial and in terms of volunteers) to provide pastoral leadership for worship and the care of members along with a program of Christian education. Pastors, on the other hand, were much more likely to assess vitality based on the impact of the congregation in the local and global community. In short, if these perspectives are widespread among the members of ELCA congregations, it will take very skilled pastoral leadership to alter these views. But, is there a commitment to this internal change? Many of the comments of these respondents suggest considerably more interest in producing leaders who are better working outside a traditional congregational context than within it.

### **3. What kinds of forms of education and contexts will best create the learning and equipping communities needed to live faithfully into God's mission?**

While there were clear themes in response to this question (which we will review below), there were respondents expressing opposing views (more or less informed) about the role of a seminary. In addition, the responses tended to focus primarily on the education of rostered leaders.

*The value of residential seminary education for forming leaders cannot be underestimated. A year or more of living together as Christians in a community centered on word and sacrament provides a good model for helping shape life in congregations.*

*If you want to be a leader in our church you must leave your current way of life, travel to one of only eight possible Lutheran institutions and spend four years of your life living in a fantasy world where your only task is to sit in classrooms and learn with others who have similar passions and ideas as you.*

*I personally think that perhaps less seminary and more "in the trenches" experiences supported by on line education and a strong mentor might be effective and less costly.*

*To me as a pastor, seminary is still the best for in depth, interactive biblical study as well as other core curriculum components.*

*Our emphasis needs to shift toward extension education—training willing servants while they work in other public jobs. Until we find a way to bring down the cost of a four-year,*

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<sup>4</sup> This report is available from Research and Evaluation, ELCA.

<sup>5</sup> This work is on-going and being conducted in behalf of Research and Evaluation in a pilot project with the Western North Dakota Synod, the Upstate New York Synod, and the Rocky Mountain Synod.

*on-campus degree, fewer and fewer will chose that option. "Education in place", with a few weeks of intensive class meetings, are more suited to the needs of the emerging church.*

*I totally support intense, on-site education AND spiritual formation (which Lutheran seminaries don't do well, but others do). Our leaders need a center that I'm skeptical online learning can provide. But that seems to be the new wave. Online folks still need a community and the face to face joy and accountability that provides. Plus learning by human osmosis, not cyberstuff.*

On the other hand, most of the respondents argued neither for nor against seminary, but for an approach to learning which focuses on enhancing the student's ability to assess the context (the critical challenges faced by people in their everyday lives) as well as the student's ability to respond in a compelling, practical way (making a positive difference) both of which should be well informed and guided by Lutheran theology (an expression of God's grace).

*While I will always believe there is a need to wrestle with scripture and to grapple with good theology, I also believe that it is important for this work to be done in the context of everyday life. So, it is important to move learning communities out of the ivory towers and into the streets. It is also important to have the spaces where the activities that we engage in on the streets can be reflected on theologically. I also believe that these reflections should take place in a broadly diverse context: in terms of age, race, and also breaking down the wall that has arisen between the "church professionals" and the lay leadership of our congregations. It is so important too for this education to take place in terms of listening and learning how to ask questions (not just answer them!). Let's free people to wonder about God and about how God is showing up in the world.*

*We need a nimble, flexible delivery system that can work with leaders as they are "embedded" in the local context similar to the action/reflection model but using all the bells and whistles of today's technologies.*

*While the calls of church leaders may look different than in the past, I think that the message and education for the most part should remain the same. We still need an education rooted in Bible, theology, history and pastoral care but it must always be set in context. We also need to learn practical skills: how do you read your audience/context? How do you share your faith in a parish setting vs. business setting? What does bi-vocational ministry look like? I think that this type of focus on the practical should bring students out of the classroom more and into their called contexts where they can immediately put their education into practice.*

*More hands on. I think it is such a strength of the Lutheran church to have pastors that are so well trained and educated theologically, but it's in the acting out of that knowledge. But it's not just the education of the pastors but the cultures within the*

*churches that need to change—a change to what can we do to help those around us rather than what can we do to help ourselves.*

*As leaders are prepared, an intentional component of didactic and contextual learning should include encouraging students to engage the communities where they serve. This would include learning a neighborhood not just through demographics and tertiary sources but through direct conversation with people in the communities, being out amongst the people, engaging those who are not currently members of the church in authentic relationship and partnership.*

*All should have the opportunity and requirement in contextual education to serve in a context very different from what has been their experience in growing up or is their current experience. This will allow the opportunity to understand ministry and engagement of people through a lens other than what comes familiar and will allow for a better understanding for the whole church to which we are called. Additionally, more robust opportunities for development of lay leaders are essential. Lay schools of ministry across the country will help to develop stronger ministers of the gospel in our communities.*

*If we think how the Christian church first began, we see the disciples learning through their experience of living with Jesus for those three years. We see them learning through these life experiences. I think it may be important for our Lutheran leaders (pastors and other rostered leaders) to become most aware of understanding people's lives through those people's lives. We may need to learn how to do more creative thinking to consider various and alternative means of sharing the gospel . . . and of worship. Life experiences may be more significant in the future . . . or learning how to apply such life experiences into the context of mission and ministry.*

*I believe, in encouraging students to empathize with those around them, to understand the challenges real people are facing in society, and to wrestle with the question of how our faith calls us to actively respond to the world around us.*

*We need deep theology and deep praxis. We need practice with cultural diversity and ways to not only develop cultural competencies, but also learn our real histories from this country and around the world.*

*A solid understanding of how Lutheran theology speaks into the lives of people is a necessity as other things change around us.*

*We need mature leaders who have taken the time to be formed in community with others. But we need those leaders in ministry contexts while they learn. They need to grow with the reality of Christian community in their faces.*

*. . . I do not necessarily think that means a focus on community organizing rather than parish life, but we need to do better helping religious leaders to understand the contexts in which people live, their questions and needs, and what the church can offer them . . . . Often seminary education is much more about the “content” of theology and scripture and divorced from these contextual concerns, other than field work and internship. Context, thus, is not only the individual location, but the wider context of postmodernism, individualism, technology, etc.*

The respondents also developed a long list of educational outcomes.

- theology
- preaching
- change
- congregational administration skills
- contextual assessment skills
- the Confessions
- ethics
- listening skills
- conflict management
- language skills
- awareness of sexism, racism, classism
- Bible
- stewardship
- teaching skills
- spiritual formation, development, direction
- worship
- pastoral care
- history
- entrepreneurial skills

The respondents also suggested a substantial list of strategies.

- approaches which embed students in the local context (parish-based, community organizing, mentors, cultural/community emersion programs, institutional emersion programs, work with community leaders)
- life-long learning approaches
- approaches which recognized different learning styles or stages of development
- action/reflection models
- on-line learning alternative
- cohort based learning approaches
- participation in a learning community
- synod based lay schools
- 50 small coordinated, integrated, learning communities
- intentional vocational discernment, faith formation, spiritual direction activities
- education in-place

At least one respondent argued the infrastructure already exists but it needs to be more actively coordinated. The infrastructure includes congregations, camps, campus ministries, lay schools, colleges/universities, seminaries, TEEM.

Finally, there was this exchange of views on the popular “best practices” approach.

*I suggest bishops identify key churches which are effective. Then assign interns to those churches. THE, and I stress - THE ---- KEY PLACE TO EDUCATE FUTURE LEADERS IS AT THESE SITES. Most seminaries, I suspect, are rooted in traditionalism. It is the*

*entrepreneurial local pastor who is breaking new ground. Why is it that the mega-churches of the 1990s held their own conferences? They were breaking out of the traditional mold. People went to these conferences because, obviously, seminaries were not equipping people and I would guess that seminaries dismissed these places. Assign future leaders to creative places. I find it highly dubious we will EVER reform the seminaries. It just will not happen. It is the nature of organizational change. Many churches, which get interns, are not necessarily doing much new or creative, they just have sufficient funds. As a result the first call pastor (typically, serving a small parish) is not as well educated/experienced as he/she might be to help develop that parish.*

*I'd like to see us move away from raising up "best practices" and "successful" congregations and more toward congregations and communities that see themselves in partnership with others. This would mean a greater emphasis on learning about the various agencies and services that already exist rather than congregations trying to make their "own" services to "help" others. Real relationship requires mutuality and shared benefit, not simply providing service to those we perceive to be in need. Family and neighborhood structures have broken down to the extent that people end up isolated from genuine relationships of cooperation and accountability. Education and contexts that help leaders and communities empower people at each stage of life would be very valuable.*

### **Brief Summary of Responses from ELCA Seminaries**

Many of the themes developed in by the individual respondents were also made in the responses from each of the seminaries. We have not included the verbatim responses from the seminaries but have summarized those responses into categories.

#### **1. What is the vocation of the Lutheran movement in our North American context?**

Responses to this question fell into three categories.

- To share the message of grace in a world which is increasingly complex, pluralistic, and multicultural
- To maintain a Lutheran perspective while working ecumenically with partners from other Christian denominations as well as interfaith partners
- To share a theology that is willing to live with tension and paradox

## **2. Into what forms and contexts of public witness and service is God calling this church for which we need to prepare leaders?**

Responses to this question fell into the following categories.

- Although it was mentioned, the traditional church context received little emphasis as a context of future public witness. Rather, the responses from the seminaries stressed the importance of work outside of the church building in different contexts and witnessing to those outside the church setting.
- There will be greater utilization of an online setting as a context for ministry. Leaders will likely be using online interactions and social networking as part of their ministry. The use of these technologies will allow for witnessing opportunities at both local and global levels.
- Denominations are no longer as strong a factor in informing people's decisions about the congregation that they will attend or join. It is more common now for people to begin attending and joining churches because they like the pastor's sermons or the children's ministries, as opposed to the theological distinctions identified by denominations.

## **3. What kinds of education and contexts will best create the learning and equipping communities needed to live faithfully into God's mission?**

Responses to this question fell into the following categories.

- Heavy emphasis was placed on the need for theological education in some form for lay leaders, as their role would likely begin becoming more important in future contexts.
- Given the changing context for ministry, there is a need to provide opportunities for continuing education for all, not just the future leaders. Although the Biblical truths have not changed, the culture and its challenges have; this makes it all the more important for those who have been in ministry for some time to refresh their learning.
- Education should prepare leaders for multiple vocations. This reasoning for this is more than financial. Leaders should learn and develop skills that would be beneficial in more than one vocation: "administration skills, public speaking, social research, conflict resolution, community organizing and small business skills...are all necessary and conducive to creative ministry."
- The continuation of distance learning is a near certainty. Although this type of learning has definite advantages over a traditional residential model, it must be done in such a way that students can experience community and grounded learning.

## Theological Education Asset Mapping Report

Adam DeHoek

Research and Evaluation, Office of the Presiding Bishop

As part of its mandate, the Theological Education Advisory Council (TEAC) of the ELCA was charged with gathering information about the resources available for theological education from organizations across the church. In order to collect this information, TEAC undertook an asset mapping study of the programs which provide theological education and are supported by the ELCA and related organizations.

Respondents received an invitation to share information about their programs through an online portal. When thinking about which theological education programs to include, respondents were asked to use the following definition of *program* as a guide, "Programs are standing opportunities that equip and support members in their ministry in the world and in the church."

Overall, the TEAC Asset Mapping project collected information from 115 organizations, inside and outside the ELCA. Many of these organizations (n = 92) identified themselves as primary providers of theological education. Information from these organizations will be presented here, as these were the only organizations which provided information about their programming.

As was assumed when this project began, the information collected here cannot be considered comprehensive, but represents a sampling of the theological education offerings across the ELCA.

### Organizational Information

#### *Type of Organization*

21.7% (20)	Seminary
19.6% (18)	Synod
16.3% (15)	College/University
12.0% (11)	Campus Ministry
7.6% (7)	Lay school
5.4% (5)	Camp or retreat center
4.3% (4)	Congregation
4.3% (4)	Churchwide
8.7% (8)	Other:
	<ul style="list-style-type: none"> <li>• Sparkhouse (ecumenical division of Augsburg Fortress)</li> <li>• ALDE (a continuing education provider)</li> <li>• RevWriter Resources, LLC (ELCA-certified coach, consultant and author)</li> <li>• Luther House (collaboration between Augustana, SD Synod &amp; Sioux Falls Seminary)</li> <li>• Vibrant Faith (a national organization)</li> <li>• Evangelical Lutheran Education Association (organization providing services to congregations with weekday schools and early childhood programs)</li> <li>• Border Servant Corps (Volunteer Service Corps)</li> <li>• Select Learning (an organization with representatives of the three seminary clusters)</li> </ul>



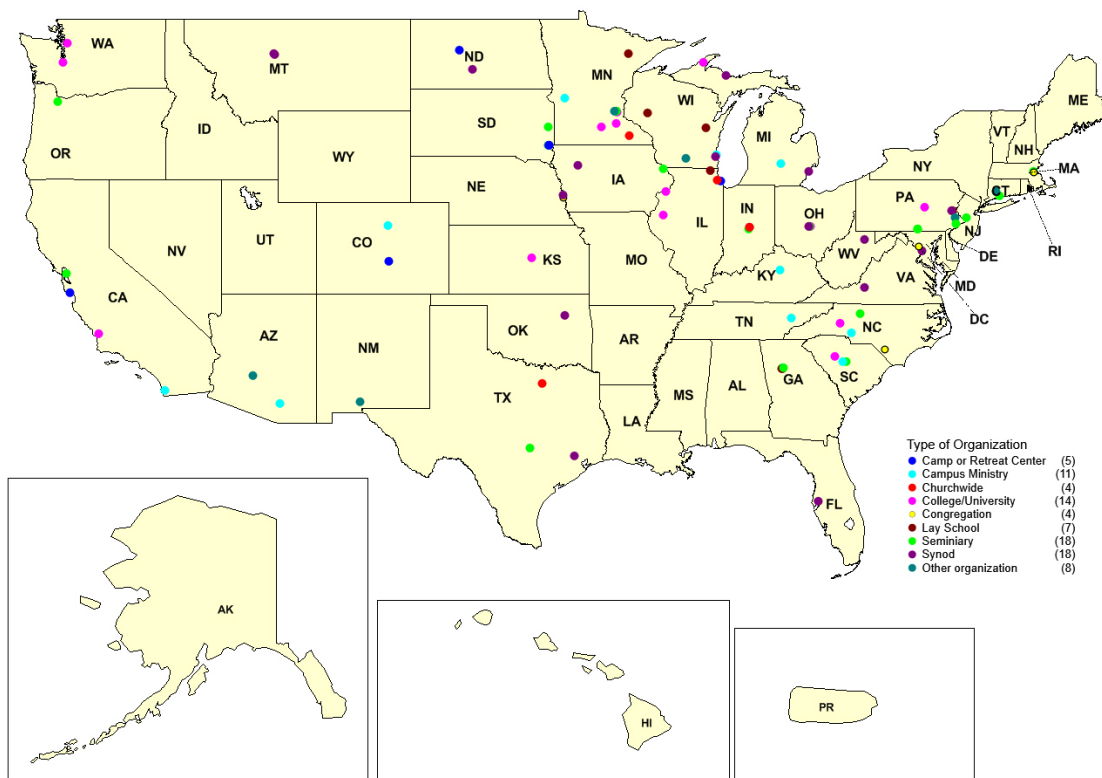
*Primary Service Area*

- 26.1% (24) A region within a country
- 17.4% (16) A region within a state
- 16.3% (15) The nation as a whole
- 14.1% (13) A specific institution
- 12.0% (11) A metropolitan area
- 5.4% (5) A state
- 5.4% (5) United States and International
- 3.3% (3) Other:
  - International only
  - Whoever contacts me
  - No service area specified

*Physical Location*

In all, organizations from the 34 states indicated below and two countries (Germany and Mexico) identified themselves as providers of theological education.

**Figure 1. Locations of theological education providers across the ELCA**



## **Program Information**

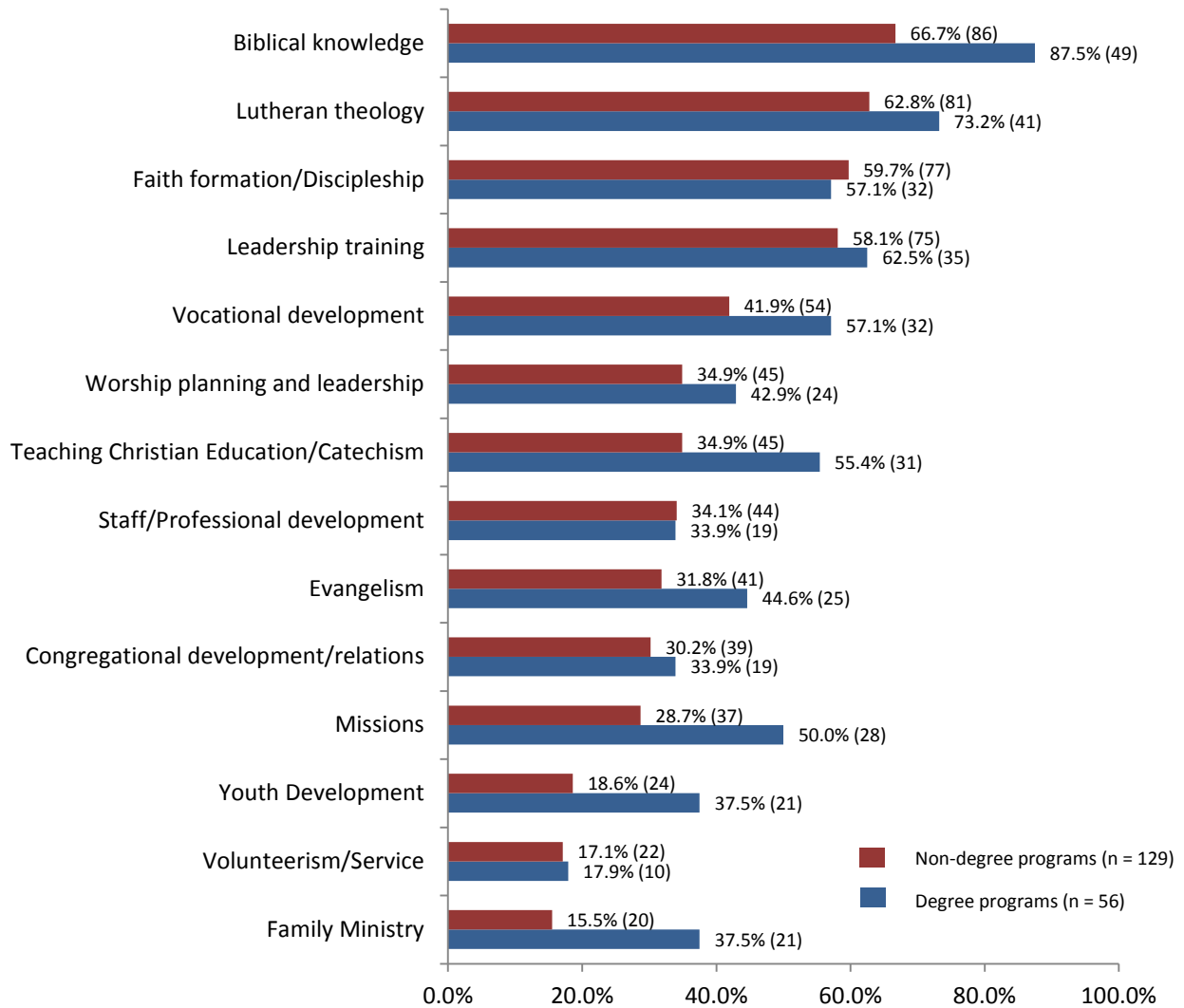
The organizations who identified themselves as providers of theological education shared information about 185 theological education programs. Of these programs, 56 were degree-related and included undergraduate degrees in Religion and Philosophy and graduate degrees (e.g., M.Div., M.A., and Ph.D.). Respondents also provided information about 129 non-degree related programs. These programs were more varied in their form from conferences to institutes to seminars. The analyses below examine degree and non-degree programs separately.

### **Program foci**

Although there were differences in the percentage of degree programs and non-degree programs which focused on different aspects of theological education, the most common foci were the same across both types of programs: Biblical knowledge, Lutheran theology, Faith formation/Discipleship, Leadership training and Vocational development.

Figure 2 below presents the different foci of the theological education programs across the ELCA, and the percentage of programs which have a focus on each. If a program focused on multiple items, program administrators were allowed to indicate this in the portal.

**Figure 2. Focus of theological education programs across the ELCA**



Beyond the foci included here, programs also focused on general theology, social justice, ethics and preaching, though none of these were found to be the focus of more than 5 percent of programs, either degree or non-degree.

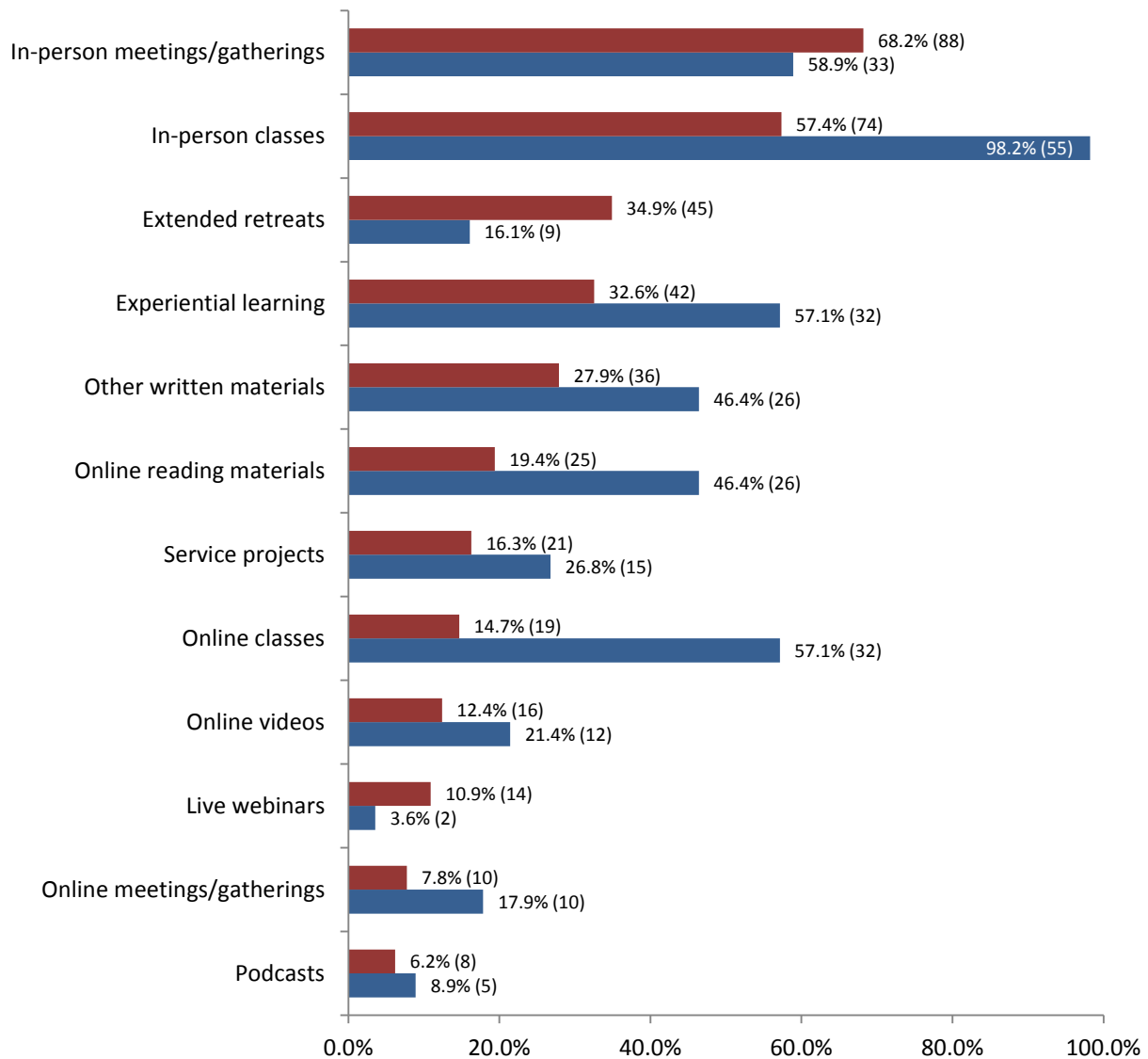
### Methods of Instruction

The most common methods used in non-degree programs were in-person meetings/gatherings and in-person classes. More than half of non-degree programs used these methods.

These two methods were the most commonly used in degree programs as well; in fact, 98 percent (all but one) of degree programs used in-person classes. Additionally, considerably more methods were used with greater frequency in degree programs as opposed to non-degree programs. Online classes and reading materials, as well as experiential learning were also more prevalent.

Figure 3 presents the different methods used, and the percentage of programs which used each method. If a program used multiple methods, program administrators could indicate this in the portal.

**Figure 3. Methods of theological education programs across the ELCA**



Characteristics of program participants

*How many people were actively involved (for example, enrolled, attended gatherings, participated online) in this program last year?*

The number of people actively involved in non-degree theological education programs varied widely from one participant (reported by two programs), to one program with 1.25 million participants. The median number of people involved in a non-degree program was 50.

Among degree programs, the range in number of participants was not quite as wide. One program reported having one participant and two programs reported having 1,500 participants. The median number of participants, 40, was somewhat less for degree programs than for non-degree programs.

*Please estimate the racial/ethnic makeup of the people who were involved in this program in the last year*

Across degree and non-degree programs, the majority of program participants were White. The second most highly represented group in both types of programs was African Americans, followed by Hispanics/Latinos. Table 1 shows the breakdown of program participants by race/ethnicity.

**Table 1. Percentage of program participants by racial/ethnic makeup**

	Non-degree programs	Degree programs
American Indian or Alaska Native	0.8%	0.8%
Hawaiian or Other Pacific Islander	0.1%	0.3%
Asian or Asian American	3.3%	2.8%
Black or African American	5.3%	14.6%
Hispanic or Latino	3.3%	6.3%
Non-Hispanic White	86.0%	73.0%
Mixed Race	0.6%	2.2%
Other	0.6%	0.0%

*Please estimate the makeup by age of the people who were involved in this program in the last year*

The most commonly represented age group in non-degree programs and degree programs were those under 25 years of age. In non-degree programs, this was impacted by those who participated at camps and retreat centers, in campus ministry, and programs associated with the education of children in the ELCA. In degree programs, this was highly impacted by enrollment figures at colleges and universities. Table 2 shows the breakdown of program participants by age group.

**Table 2. Percentage of program participants by age group**

	Non-degree programs	Degree programs
Under 25	31.4%	46.8%
25-34	13.0%	15.7%
35-44	10.5%	14.1%
45-54	17.2%	12.9%
55-64	19.2%	8.2%
65-74	7.9%	2.0%
75 and older	0.9%	0.3%

*What was the percentage breakdown of clergy, lay rostered leaders and non-rostered participants who were involved in this program in the last year?*

Non-rostered participants were the largest group in non-degree programs and degree programs. Nearly two-thirds of participants in non-degree programs were non-rostered. These numbers were driven by those who participated in congregational programs, those who were enrolled in lay schools, those involves with campus ministry, and those who attended camps and retreat centers. Clergy, who made up nearly the other third of participants, were most likely to have participated in synodical and churchwide programs. In degree programs, nearly 90 percent of participants were non-rostered participants, driven primarily by the high percentage of undergraduate and graduate students. Table 3 shows the breakdown of program participants by roster status.

**Table 3. Percentage of program participants by roster status**

	Non-degree programs	Degree programs
Clergy	29.5%	10.9%
Lay rostered leaders	6.5%	2.0%
Non-rostered participants	64.0%	87.2%

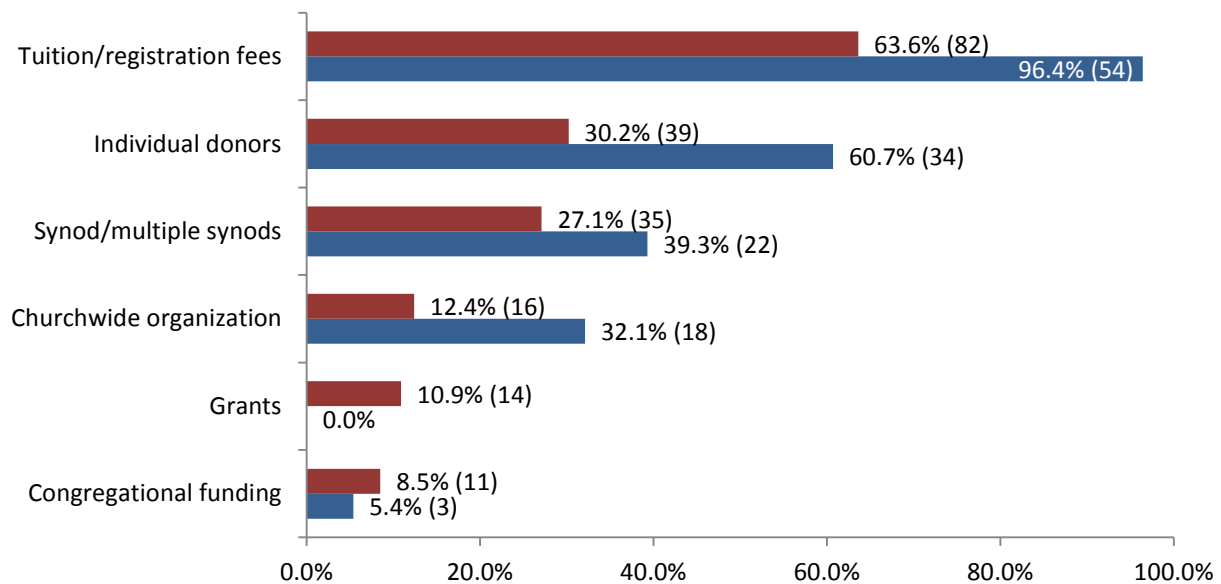
Program Funding

*How is this program supported financially?*

The pattern by which programs are supported financially does not generally differ for degree programs and non-degree programs. Both types are most likely to draw funding from tuition/registration fees, followed by support from individual donors, synods and the churchwide organization. The difference is that a higher proportion of degree programs draw support from each of these sources.

Figure 4 presents the different sources of support for theological education programs, and the percentage of programs which receive support from each source. Many programs were supported via multiple methods of funding.

**Figure 4. Sources of funding for theological education programs across the ELCA**

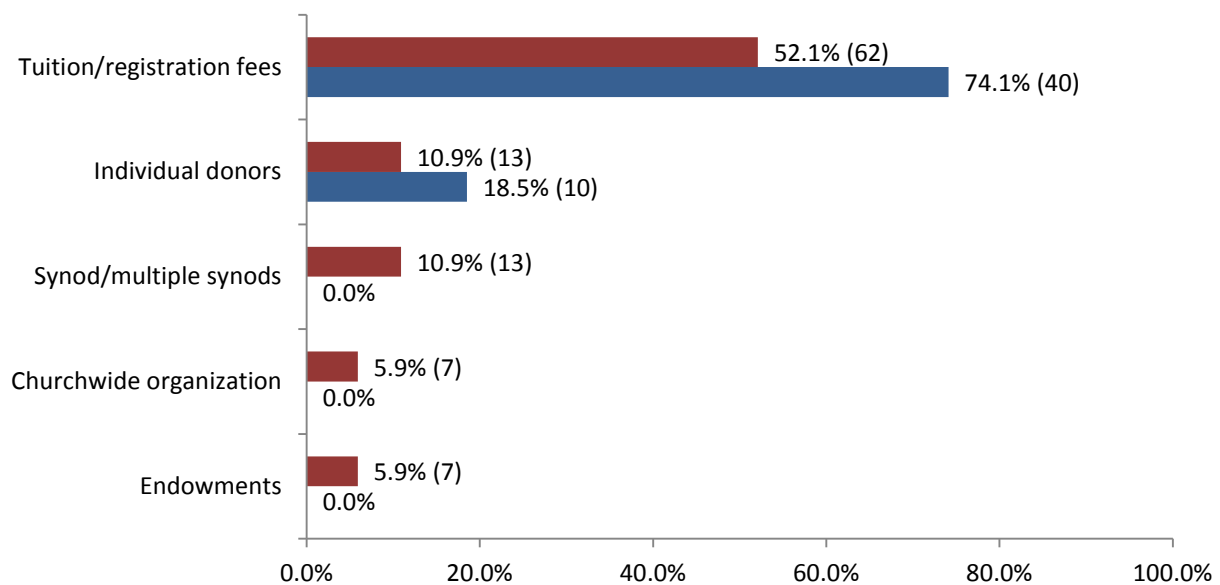


*Which of the above is the primary source of financial support?*

When looking only at a program’s primary source of financial support, tuition/registration fees and individual donors rise to the top as by far the most frequent. In fact, these two sources are the primary sources for more than 90 percent of degree programs. Primary funding for non-degree programs extends to synodical support, churchwide support and endowments, though these are considered the primary source of funding for only a minority of programs.

Figure 5 presents the primary sources of support for theological education programs, and the percentage of programs defining that source as primary. Program administrators were not able to select multiple sources for this question.

**Figure 5. Primary sources of funding for theological education programs across the ELCA**



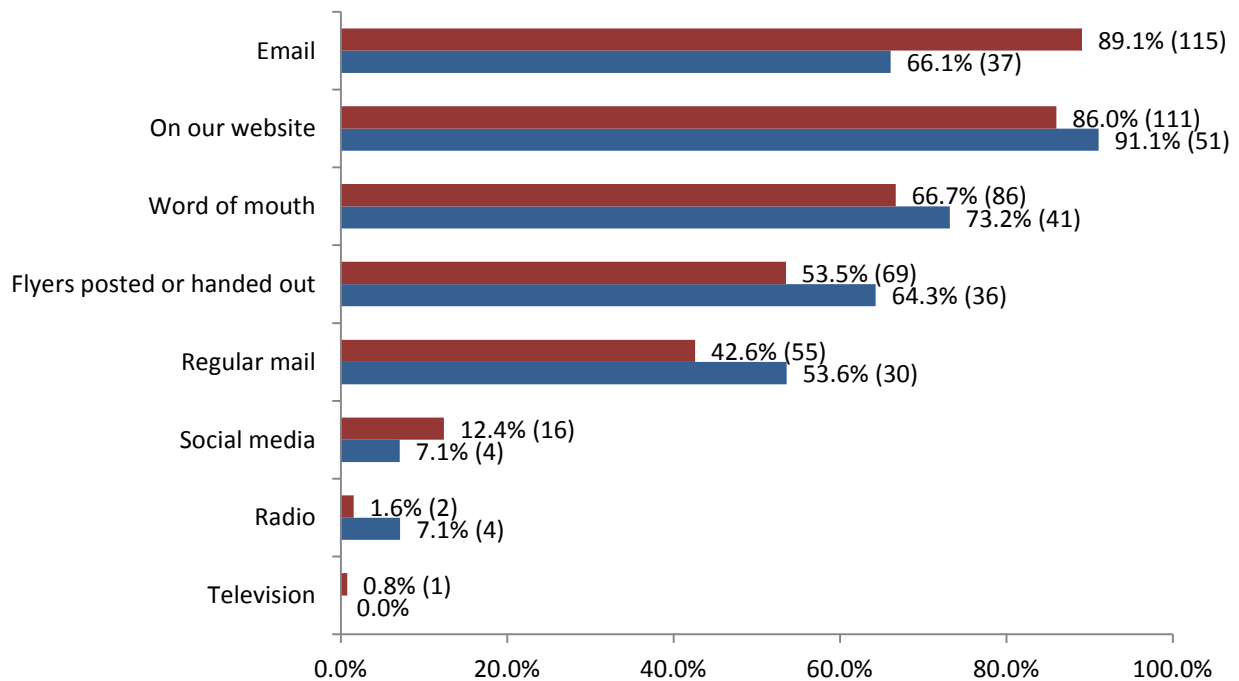


*How do you advertise this program?*

Online communication methods were the most common for advertising theological education programs in the ELCA. Among non-degree programs, email and organizational websites were the most common methods, followed by word of mouth and flyers. Among degree programs, the organization’s website was the most frequently used method to advertise the program, followed by word of mouth, email and flyers.

Figure 6 presents the methods for advertising theological education programs across the ELCA and the percentage of degree programs and non-degree programs which used each method. Program administrators were able to select multiple methods for this question.

**Figure 6. Methods for advertising theological education programs across the ELCA**



### Program partners

The most common partners for those providing theological education in non-degree programs were synods and congregations. More than half of these programs currently partnered with a synod or a congregation to carry out their program. Among the commonly desired partners were the ELCA churchwide organization, colleges/universities and synods. Table 4 shows the current and desired partners of non-degree theological education programs.

**Table 4. Current and desired partners of non-degree theological education programs**

Potential partners of non-degree programs	Who are your partners with this program?	Who else would you like to partner with in this program?
ELCA churchwide organization	20.9% (27)	<b>16.3% (21)</b>
Synods	<b>51.9% (67)</b>	<b>15.5% (20)</b>
Congregation(s)	<b>51.2% (66)</b>	14.0% (18)
Seminaries	22.5% (29)	10.9% (14)
Colleges/Universities	20.2% (26)	16.3% (21)
Lay school	10.9% (14)	12.4% (16)
Camp/Retreat center	12.4% (16)	9.3% (12)
Social Service Agency	10.1% (13)	4.7% (6)
Non-ELCA organization	22.5% (29)	7.8% (10)
Other	8.5% (11)	0.8% (1)

The most common partners for those providing theological education in degree programs were congregations, synods and non-ELCA organizations. More than half of these programs currently partnered with a congregation to carry out their program. Among the commonly desired partners were the ELCA churchwide organization, synods and lay schools. Table 5 shows the current and desired partners of theological education degree programs.

**Table 5. Current and desired partners of theological education degree programs**

Potential partners of degree programs	Who are your partners with this program?	Who else would you like to partner with in this program?
ELCA churchwide organization	41.1% (23)	<b>19.6% (11)</b>
Synods	44.6% (25)	<b>17.9% (10)</b>
Congregation(s)	<b>55.4% (31)</b>	10.7% (6)
Seminaries	39.3% (22)	8.9% (5)
Colleges/Universities	41.1% (23)	12.5% (7)
Lay school	12.5% (7)	<b>17.9% (10)</b>
Camp/Retreat center	16.1% (9)	8.9% (5)
Social Service Agency	26.8% (15)	5.4% (3)
Non-ELCA organization	44.6% (25)	5.4% (3)
Other	7.1% (4)	0.0% (0)

### Program challenges

Among non-degree programs, the most frequently mentioned challenges were finances/funding and recruitment of new students.

Non-degree programs (n = 129) (challenges faced by 5 percent of programs or more)

19.4% (25)	Finances/Funding
18.6% (24)	Recruitment/Attracting new students
14.0% (18)	Promotion/Advertising
12.4% (11)	Providing relevant/high quality course content
9.3% (12)	Time constraints
7.0% (9)	Low attendance/Low participation
7.0% (9)	Staffing/Personnel

Among degree programs, recruitment was by far the most frequently mentioned challenge at nearly 40 percent of programs.

Degree programs (n = 56) (challenges faced by 5 percent of programs or more)

38.9% (21)	Recruitment/Attracting new students
9.3% (5)	Finances/Funding
5.6% (3)	Finding placements for students
5.6% (3)	Staffing/Personnel



**TO:** James Nieman, President, LSTC on behalf of the ELCA seminary leaders

**FROM:** Huron Engagement Project Team

**DATE:** Revised September 10, 2015

**RE:** UPDATED DRAFT Academic Learning Exchange "Base Case" for ELCA seminary leaders to deliver to the seminary communities

*The purpose of this memo is two-fold. First, this document serves as a starting point for seminary leaders to engage in a discussion and come to agreement on the framing and parameters for this project. Second, it provides content and key details for each leader to share with relevant stakeholders, customized as needed for the unique culture on each campus, in preparation for the visits and interviews that will occur over the coming months.*

### **A shared strategic initiative: Exploring the potential for an academic learning exchange**

Through the generosity of a donor deeply committed to our mission, our community of seminaries has been provided an opportunity to work together to evaluate the opportunities, details, and dimensions of a shared academic learning exchange. We believe that an academic learning exchange presents a unique opportunity to expand our seminaries' reach and impact in support of the ELCA mission. Rather than just serving as a digital repository of educational content, the learning exchange has the potential to stretch our classrooms and capabilities through new kinds of collaborations. These collaborations can foster greater student interaction, enable us to pursue shared intellectual and mission goals, and bring new learners into our communities.

We recognize that an academic learning exchange could take many different shapes, and this feasibility study begins as an exploration across our campuses to discover the most promising shape for our collective goals and purposes. As a starting concept we can conceive of a learning exchange as an online environment where faculty, students and others participate in both formal (e.g., courses) and informal (e.g., "work groups") joint learning activity. Features and content could include: content for entire courses developed by inter-seminary faculty teams available for structured "virtual classroom" or self-paced use; functionality for synchronous and asynchronous discussion group sessions; searchable libraries of shared resources for teaching and ministry; or "LinkedIn-style" listings of faculty, students, and others to facilitate networking. These are just thought-starters, and we look forward to the imaginative and practical ideas stakeholders bring to the campus planning conversations.

We understand that our seminaries have distinctive institutional identities and programmatic strategies, with many stakeholders dedicated to stewarding institution-level aims and commitments. A learning exchange must value and respect institutional distinctions and interests, while fostering shared efforts that augment and enhance the work of our individual campuses. As findings from the Theological Education Advisory Committee (TEAC) initiative make clear, it is imperative that we consider ways to combine resources to reduce unnecessary duplication of efforts and investments that challenge the financial and operational sustainability of our institutions. As seminary leaders, we are excited to explore the specific potential of an academic learning exchange to help achieve both mission-based and pragmatic operational goals.

Over the course of this fall, our seminaries will be working with Huron Consulting Group's Higher Education practice on a feasibility study for the potential learning exchange. Huron's work will involve visiting each of the seminaries to

## HuronEducation

meet with faculty, students, staff and leadership. The objective of this set of campus visits is to identify shared interests and aspirations, and shared concerns, that bridge across our institutions. This information will be used to inform a strategic concept and plan for the learning exchange if there is sufficient agreement about the feasibility of the exchange.

Below are some additional thoughts about the learning exchange to inspire your thinking, followed by more detail about the Huron visits.

### Why an academic learning exchange?

- Today, our clergy, seminarians, congregants, lay leaders, and the communities we serve live in an expansive and interconnected world where technology facilitates connections, fellowship, education, and worship. Through the exploration of a learning exchange, we are inviting our seminary stakeholders to help fulfill our mission by imagining ways to stretch our classrooms and share our teaching through this global network.
- An academic learning exchange can provide a forum for collaborative curriculum development and delivery, accessible to faculty at all our institutions to develop and utilize course content. In turn, the learning exchange can provide our students, and new learners from across the globe, access to the breadth of courses and supplemental material created across our entire network.
- We promise seminary students a transformative and unparalleled education. An academic learning exchange has the potential to connect all our students to shared resources (courses, material, colleagues) beyond that which any one of our institutions can singularly provide.

### Why now?

- The Theological Education Advisory Committee (TEAC) has charged the ELCA seminaries with reimagining ways that seminary education can be more far-reaching, sustainable, connected, and flexible. This charge requires us to develop models for teaching and learning that preserve our core commitments to graduate education while expanding our purview further beyond our physical campuses.
- We face urgent financial and enrollment pressures at our seminaries that will require transforming our pedagogical delivery methods, funding sources, and governance structure. According to a recent TEAC-sponsored study, collectively our seminaries have seen a 39% decline in enrollment over the past decade resulting in a collective structural deficit of approximately \$6 million (including depreciation) in FY15. The study indicates that we would need to recruit at least 800 additional students each year to be right-sized to our current capital and expenditure levels or reduce expenses by selling off physical assets and decreasing the size of our faculty and staff. Put another way, we need to find solutions that are financially viable and allow us to more fully fulfill the mission of the ELCA.
- Significant changes are occurring in educational consumption patterns among students at all types of institutions. Particularly at the graduate and professional degree levels, enrollments in conventional residential programs are often stagnating while participation in online and hybrid programs is increasing – including at many of the highly selective and top-performing institutions our seminaries count as academic peers.

### What is the process for exploring this initiative?

## HuronEducation

Huron Consulting Group's education consulting practice will be facilitating a robust set of conversations across our eight seminaries to explore the potential for a digital exchange for hosting formal and informal learning, discuss how such a learning exchange might best be governed and operated, and evaluate potential technology platforms to fit identified needs. Many questions remain to be answered about how and whether the development of an academic learning exchange should proceed, addressing issues including appropriate content, the operating model for the exchange, and how it can be best used to extend the capability and capacity of our faculty. This project seeks to answer many of these questions in the coming months.

- Huron teams will be visiting each of our seminaries in September and October to meet with faculty, students, leadership and staff. These campus conversations will explore questions including:
  - *What ideas, hopes, and concerns do seminary stakeholders bring to the conversation about a potential academic learning exchange?*
  - *What activities, course-related and other, might best lend themselves to online collaboration in the next 1-3 years? How might this content best be created and curated?*
  - *What might a more visionary learning exchange that reaches beyond our current students and campuses look like? How can the learning exchange grow over time?*
  - *How should an academic learning exchange be operated? What technology factors must be accommodated to ensure that individual seminaries can best continue their own efforts while participating in the exchange?*
- Huron consultants will also be conducting a significant amount of analysis and benchmark learning to bring ideas to us about what other top institutions are doing in implementing academic learning exchanges.
- In November, the seminary leaders will convene a Leadership Meeting in Chicago to consider and discuss learning from the field research and campus visits. Each leader will bring a small delegation from her or his seminary to participate. The goal of the Leadership Meeting will be to refine the collective position about the feasibility, shape, staging, content, and technology requirements for the learning exchange.
- Following the November event we anticipate further communication back to our campuses about the learning exchange planning initiative.

As leaders of the eight ELCA seminaries we urge you, our colleagues, to be imaginative and creative as you consider the potential for an academic learning exchange to support the efforts of our faculty and promote more effective and collaborative learning for all our students and stakeholders. In the coming days, you will begin to see invitations to meet with our consultants to discuss this opportunity. Please do all you can to provide thoughtful and productive information to the team. Thank you for your interest and support.

Education Model Assessment

# Evangelical Lutheran Church in America

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August 3, 2015

# Contents

<b>I. SCOPE &amp; PURPOSE OF ASSESSMENT.....</b>	<b>1</b>
<b>II. WHY IS TRANSFORMATION NEEDED? .....</b>	<b>4</b>
GROWING LEADERS.....	4
MISSION THROUGH EXPANDED REACH AND EXPERIMENTATION .....	6
ENSURING A POSITIVE FISCAL POSITION .....	6
CURRENT STATE – COMPARISON OF LEVELS OF SPENDING .....	8
BALANCING THE EQUATION –PHYSICAL ASSETS .....	9
BALANCING THE EQUATION – HUMAN CAPITAL ASSETS .....	10
<b>III. WHAT IS POSSIBLE? IMPACTS OF BALANCING THE ASSET EQUATION IN ALIGNMENT WITH MISSION .....</b>	<b>13</b>
WHAT IS ALREADY HAPPENING? .....	15
<b>IV. WHO IS RESPONSIBLE TO TRANSFORM THE THEOLOGICAL EDUCATION APPROACH (GOVERNANCE) .</b>	<b>17</b>
<b>V. GOVERNANCE OPTIONS – MODEL MATRIX.....</b>	<b>19</b>
<b>VI. SUMMARY/CALL TO ACTION .....</b>	<b>53</b>
<b>APPENDIX A: FINANCIAL TRANSPARENCY .....</b>	<b>I</b>
<b>APPENDIX B: SEMINARY VISIT OBSERVATIONS .....</b>	<b>V</b>
<b>APPENDIX C: BUDGET SURPLUS/DEFICIT DETAIL .....</b>	<b>VI</b>
<b>APPENDIX D: DEFERRED MAINTENANCE DETAIL .....</b>	<b>VII</b>
<b>APPENDIX E: PHYSICAL CAPACITY &amp; AVAILABLE ASSETS DETAIL.....</b>	<b>IX</b>
<b>APPENDIX F: SPACE UTILIZATION ASSUMPTIONS .....</b>	<b>XII</b>
<b>APPENDIX G: SUMMARY OF PHYSICAL ASSET IMPACT SCENARIOS .....</b>	<b>XIV</b>
<b>APPENDIX H: FACULTY COMPENSATION DATA.....</b>	<b>XV</b>
<b>APPENDIX I: FACULTY ASSET IMPACT SCENARIOS .....</b>	<b>XVI</b>
<b>APPENDIX J: DONOR IMPACT SCENARIOS .....</b>	<b>XVII</b>
<b>APPENDIX K: THEOLOGICAL EDUCATION ADVISORY COUNCIL .....</b>	<b>XVIII</b>
<b>APPENDIX L: ELCA THEOLOGICAL ASSESSMENT STEERING COMMITTEE .....</b>	<b>XX</b>

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# I. Scope & Purpose of Assessment

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The ELCA Theological Education Assessment was requested by the Theological Education Advisory Council (TEAC) as part of TEAC's broader initiative to reimagine ways that ELCA theological education is *more far-reaching, more sustainable, more connected, and flexible*. These concepts mean different things to different stakeholders, yet are all based on the desire to meet present and future leadership needs of the Church while exercising effective stewardship of limited resources. Baker Tilly's assessment is only one piece of a much broader discussion aimed at answering the questions that define TEAC's initiative. The assessment outlines options for the organizational and structural transformative change that must occur in order to realize education that is *more far-reaching, more sustainable, more connected, and flexible*. It is up to the TEAC, the seminaries, and other Church leadership to discern what that transformed mission and leadership development will look like.

Specifically, TEAC has been charged by the Church Council to re-envision the ELCA theological education delivery model in a manner that will, among other things:

- I. Align with emerging needs and mission-based growth opportunities of the Church
- II. Ensure that church theological education resources and assets are focused on strategic, mission-based priorities
- III. Reduce overall cost outlay per student
- IV. Make sure theological education is effective and available where it is needed
- V. Recognize the changing cultural, demographic, and socio-economic context in which churches and their leaders live and work

Theological education across all denominations is facing challenges like never before as rapid cultural changes have made religious belonging and participation much less the norm. These include unprecedented decreases in mainline denomination membership, reductions in numbers of congregations, and reductions in those seeking careers in ministry and related fields. The ELCA theological education network and institutions also face serious challenges related to their current fiscal position, constrained resource levels, and resources that are tied up in underutilized assets.

The ability to experiment and innovate to meet emerging and ever-changing mission-based demands requires more flexibility in aligning assets and programs, a repurposing, if you will, of existing resources toward the most impactful and urgent opportunities. It also requires the ability to take calculated risks in trying new approaches, accepting that there is no guarantee that every approach tried will have the intended outcomes. In other words, having the financial bandwidth to have failed experiments is critical as the ELCA considers how it will respond to meet mission needs of the future.

One of TEAC's insights is that the ELCA needs *more* theological education, not less. But for whom? Though the seminaries have engaged in lay and continuing education for the past decade, the eight theological schools are mainly focused on graduate degree education – master's and doctoral degrees for persons seeking calls in congregational ministry, chaplaincy, in advanced study and teaching, and needing continuing education.

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*The ability to experiment and innovate to meet emerging and ever-changing mission-based demands requires more flexibility in aligning assets and programs, and less anxiety around fiscal sustainability.*



TEAC argues that theological education should embrace “the whole people of God.” There is a need for everyone, in every aspect of life, to explore and experience meaning, service, community, and compassion. Pastors and lay leaders need enabling resources to accompany their members and friends on their faith journeys.

While the seminaries do conduct some lay education and train their students in Christian education, one can readily acknowledge that 21<sup>st</sup> century needs and opportunities differ from those of the 20<sup>th</sup> century, specifically requiring:

- > Different ways to engage millennials and realize “the Church” of the future
- > Enhanced efforts to grow and equip pastors to provide effective leadership relative to theological issues, congregational operations, and mission growth
- > Focus on the needs of changing member populations and demographics
- > Enhanced focus on ecumenical and cross cultural ministries
- > Increased ability to ensure that rostered leaders have access to the “best thinking” as it relates to the critical issues or challenges of the present (e.g., how to facilitate community conversations about inclusivity, race, and privilege; what is critical for a congregation in financial crisis, and how to navigate political issues that divide a congregation)
- > Attention to needs in major geographies without a current ELCA seminary presence (e.g., southwest, northwest) and within which emerging populations exist

Because no one has an easy answer as to how these challenges will be met, it befits the ELCA to find ways and means to try creative experiments. An opportunity stands before the ELCA seminaries to boldly address new missional needs in the Church across North America and internationally. This report specifically focuses on ways to free resources in support of this expanded mission, and offers model options for organizing the education of church leaders of the future.

The goals of TEAC as we interpret them for purposes of identifying potential transformative models are as follows:

*Table 1: TEAC Goals*

More Far Reaching	More Connected and Flexible	More Sustainable
<p>Work in theological education needs to become more robust in:</p> <ul style="list-style-type: none"> <li>&gt; Providing life-long learning for the whole people of God, so that they can continue to grow in faith and live out their baptismal vocation fully, in an increasingly multi-cultural and inter-religious environment.</li> <li>&gt; Preparing more persons from a wider range of communities to serve as rostered leaders in a wider range of contexts.</li> <li>&gt; Strengthening a culture of continuing education for rostered leaders which enables them to lead well in a changing church, in a rapidly changing culture.</li> </ul>	<p>Delivery of theological education can benefit from:</p> <ul style="list-style-type: none"> <li>&gt; A connected theological education network that effectively utilizes all assets of the Church including seminaries, colleges, congregations, synod lay schools, ecumenical and global partners in our approach to delivering education.</li> <li>&gt; More flexible arrangements in deploying our current seminary faculty and linking them to teaching resources in other settings; the ELCA theological education network could become much more robust and fruitful.</li> </ul>	<p>As it relates to seminaries, students, and God’s mission:</p> <ul style="list-style-type: none"> <li>&gt; Sustainable seminaries require careful management of both expenses and revenues to increase liquidity, improve operating results, and create more capacity for innovation.</li> <li>&gt; Sustainable economy of theological education for students - reduced role that student borrowing plays in the economy of both of students and of our institutions.</li> <li>&gt; Sustainable service to God’s mission - increased productivity of our work in theological education in terms of the number, variety, and generativity of the leaders we prepare.</li> </ul>



Transforming the ELCA theological education network to one that better meets the changing needs of the Church in a manner that is flexible, sustainable, and cost effective requires altruism and creativity at the highest levels possible.

This report opens with an outline of the context for why a significant transformative change is needed to address sustainability issues relative to theological delivery within the ELCA that have been discussed since 1995. Our analysis includes consideration of what is currently being done to address these issues; however, the question being asked is whether a way can be found to do more. As the seminary visits, conversations, and analyses proceeded, it became evident that identifying and repurposing resources is complex.

One question is: can eight independent institutions find a way to individually or collectively achieve sustainability and contribute resources to help meet the educational needs identified by TEAC? That question, in turn, leads to speculation that there might be a better way to corporately configure the institutions so that resources may be repurposed to meet those needs. There is no easy answer and until the model or paradigm shift is determined, executing on the logistics of the model is not feasible. However, understanding the impacts and risks of each potential approach is critical to finding the solution and ***thus the key component of the report (and the promising discussions to date) is the matrix of models which compares various governance options for consideration. This matrix (Section V) compares and contrasts the various governance structures, and identifies specific mission and fiscal impacts possible through adoption of each model.***

## II. Why is Transformation Needed?

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The sustainability of the ELCA theological education delivery model, and concerns regarding the existing governance and funding, are recurring topics which have been focused on in multiple reports and initiatives over the past three decades. The bottom line is that the current model used to deliver ELCA theological education is provided by relatively autonomous entities, focused on delivering education primarily for master of divinity students, in a manner that does not consistently provide the intended outcomes either on a mission or fiscal basis. In short, a better approach to balancing the equation of assets (i.e., physical, faculty, staff) to number of students (e.g., masters, PhD, lay, continuing education) is vital.

When evaluating sustainability relative to ELCA theological education, there are three key components of consideration that result in challenges to realization of the mission:

- I. Growing leaders – meeting congregational needs (new and existing) for rostered leaders
- II. Growing mission through expanded education (e.g., geographic, lay) and experimentation (“change in church”)
- III. Ensuring a positive fiscal picture

### ***Growing leaders***

Enrollment at all ELCA seminaries has declined substantially in the last ten years. Collectively the ELCA seminaries’ loss was approximately twice as much as mainline schools (i.e., 39% of full time equivalent (FTE) students compared to 19%). Collectively the ELCA loss was 35% of head count compared to 22% of headcount for all mainline schools.

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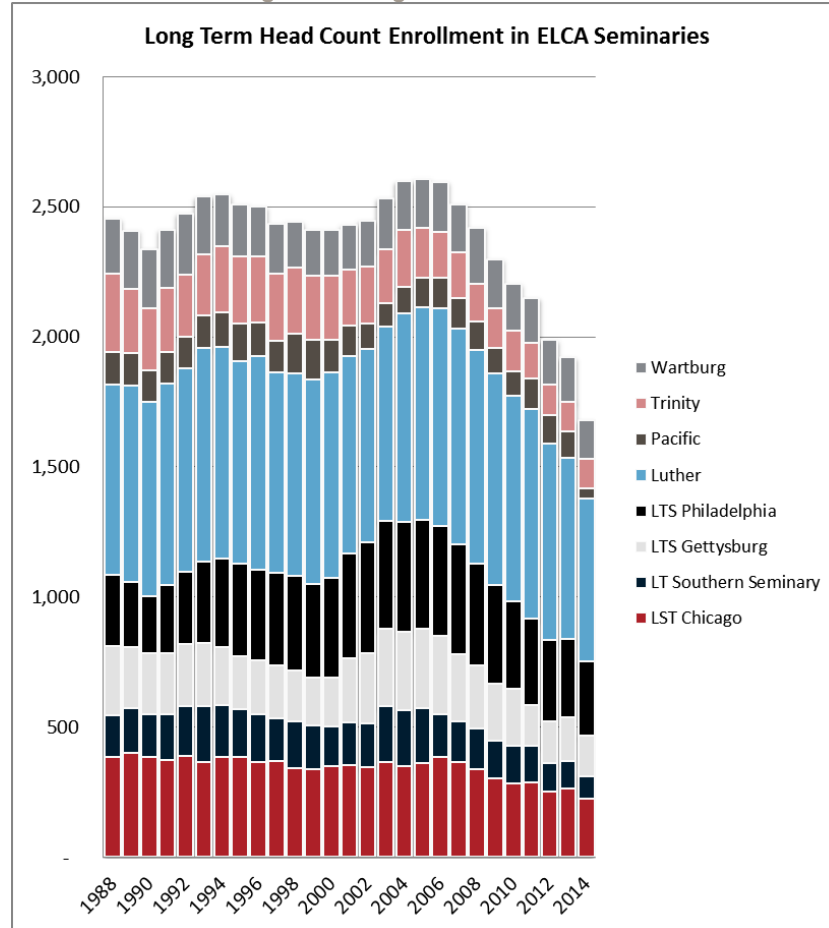
*Enrollment at all ELCA seminaries has declined substantially in the last ten years; ELCA seminaries’ loss was approximately twice as much as mainline schools.*

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*The seminaries would need at least an additional 800 students to have a student body right-sized to the current level of capital assets.*



Figure 1: Long-Term Head Count



To put this in perspective, the ELCA seminaries’ enrollment grew through the 1950s and 1960s, reaching its peak in the mid-1970s at approximately 2,500 headcount students. The seminaries’ enrollment remained at that level for three decades, through 2005. Since then the headcount enrollment has decreased between 30% and 35%. The seminaries have made some adaptations in physical, managerial, or educational capacity to serve this diminished population. As highlighted in the chart above, however, given the level of physical assets currently owned, the seminaries would need at least an additional 800<sup>1</sup> students to have the student body and level of capital assets in a sustainable balance.<sup>2</sup>

<sup>1</sup> The number of students required to balance the level of physical assets compared to students is intended to be illustrative of how “out of balance” the current physical assets are. For example, the section Balancing the Equation– Focus on Physical Assets” cites two student figures that are intended to show how out of balance total expenditures per FTE are compared to a peer average.

<sup>2</sup> Assumes a peak headcount of 2,500 and a current headcount of 1,693.



While 64.5% of students educated at ELCA seminaries pursue the Master of Divinity degree with the intention of serving as rostered leaders, 43% of the reported vacancies in full-time first call positions were left unfilled during 2015. This was similar to the results in most recent years.<sup>3</sup> Also, while many are considering the need to expand the reach to educating lay and other leaders within the Church the vast majority of programs are focused on education for those pursuing a Master in Divinity degree. Additionally, the process of connecting those providing theological education to those most involved in vocational discernment in its early stages is currently ad hoc and relies on individual personalities rather than a focused, formal, and intentional structure for connecting programs and people.

### ***Mission through expanded reach and experimentation***

As described in the opening section, expansion of mission involves changes relative to a number of factors. There are two critical subcomponents of consideration relative to a sustainable mission presence: a) meeting underserved and emerging populations (e.g., through geographic presence, cultural understanding); and b) expanded types of education to fulfill needs of those beyond the Master of Divinity student and to accommodate required mission expansion to address mission challenges which are before the Church. The mission of the Church of the future is much bigger than the mission of the past. Specifically, there is a need for greater mission impact as the result of a rapidly changing and more pluralistic world, differing expectations of a globally focused and less insular youth population, and communities that by virtue of their composition require interfaith understanding.

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*ELCA seminaries alone commit over \$62 million annually in expenses, and have almost \$100 million in dedicated physical assets.*

The footprint and delivery model of the ELCA seminaries is predominantly limited to the traditional locations and on-campus presence requirements for students. While some limited experimentation is occurring, the vast majority of work done by seminaries occurs in a campus setting within five geographic pockets of the nation. Likewise, while there are some highly successful and innovative programs for lay education, these are the exception. Overall, resources are not strategically aligned to expand or prioritize lay and continuing education of rostered leaders in a manner that is consistently accessible and convenient.

The seminaries have long sought to innovate to meet the changing needs of the Church and their students. Laudably, non-traditional programs (i.e., Theological Education for Emerging Ministries [TEEM], bi-vocational emphases, urban partnerships) have been implemented in pockets across the nation. Nonetheless, many observers note that the need for innovative non-traditional programs is greater than is currently addressed given the rapidly changing context within which churches exist and serve.

### ***Ensuring a positive fiscal position***

The current approach to ELCA theological education assumes a significant level of autonomy and separate resource commitment from the individual entities involved and impacted. The ELCA seminaries alone commit over \$62 million annually in expenses, and have approximately \$100 million in physical assets<sup>4</sup>. Staff resources dedicated to

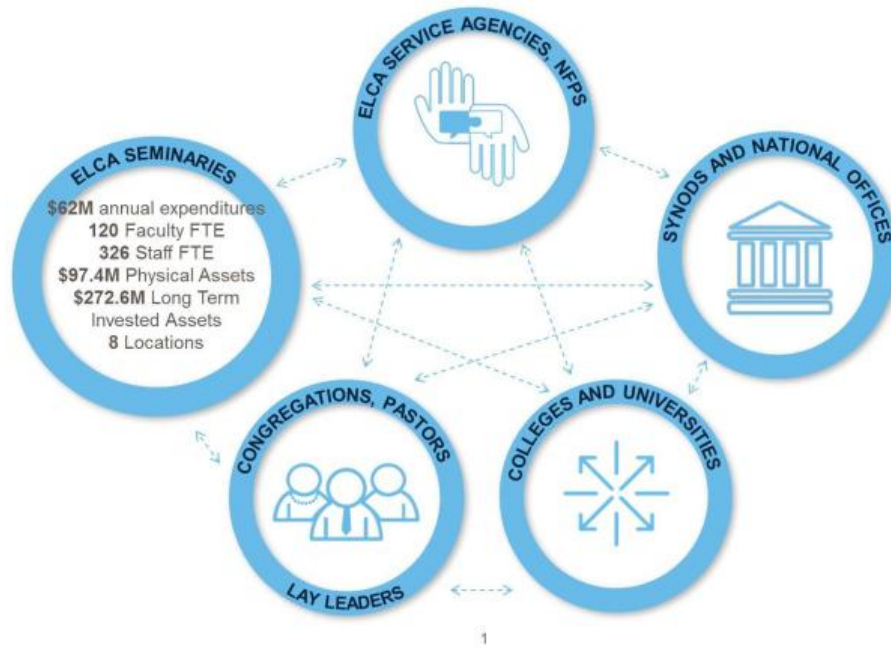
<sup>3</sup> Source: ELCA Program Director for Assignment, February 2015 data.

<sup>4</sup> This represents the FY14 book value of assets, not the market value.



theological education equal 120 faculty and over 326 staff for a total spend on human capital equivalent to \$40.67 million. The extent of physical and operating assets currently dedicated to theological education, or available to support theological education, from the remainder of the ELCA entities (e.g., congregations, universities, colleges), has not been collectively quantified, but is currently being quantified as part of an asset mapping project.

Figure 2: ELCA Entities



The historical financial performance for the seminaries is not sustainable, and points to a situation with too many committed resources for the level of revenue generated. Specifically, the cumulative level of deficit anticipated for FY15 is \$6.08 M including depreciation expense and \$471,269 with depreciation excluded. Of the eight seminaries, five have projected structural deficits before accounting depreciation, while all have structural operating deficits when depreciation is included.



Table 2: FY 2015 Projected Surplus/Deficit

Seminary	Projected Surplus/Deficit FY 2015 (including depreciation)	Projected Surplus/Deficit FY 2015 (excluding depreciation)
Chicago	(\$238,000)	\$458,000
Gettysburg	(\$90,270)	\$334,731
Luther	(\$1,400,000)	(\$118,000)
Pacific	(\$250,000)	(\$125,000)
Philadelphia	(\$1,800,000)	(\$700,000)
Southern	(\$1,265,322)	(\$159,000)
Trinity	(\$812,000)	(\$312,000)
Wartburg	(\$225,000)	\$150,000
<b>TOTAL</b>	<b>(\$6,080,592)</b>	<b>(\$471,269)</b>

A “structural” deficit occurs when normal, ongoing “business as usual” expenditures exceed normal levels of revenue from tuition, gifts, and a prudent 5 percent draw from endowment. As may be seen on Figure 2 on page 7 at least half of the institutions have struggled with substantial deficits during the past decade. Deficits have to be financed – either expendable financial assets are consumed or money is borrowed to make up the gap. Either way, the financial position of the institution is weakened and the future becomes more uncertain. From time to time unusual market gains or the receipt of significant non-repeating gifts (such as bequests) improve the situation in the short term, but an underlying structural deficit will eventually erode those recent gains. On the other hand, market sluggishness and downturns accelerate the consumption of reserves in the short term.

These points of analysis go to further confirm previous analysis (e.g., Fall 2014 TEAC report that summarized the Stewards of Abundance 2013 Report, Baker Tilly ELCA Comparative Financial Ratio Analysis, multi-year) which highlighted concerns for the fiscal stability of the ELCA theological approach in its current form.

### ***Current state – comparison of levels of spending***

The level of spending in many areas outpaces that of others and points to an overburdened situation when comparing spending levels per student. Specifically:

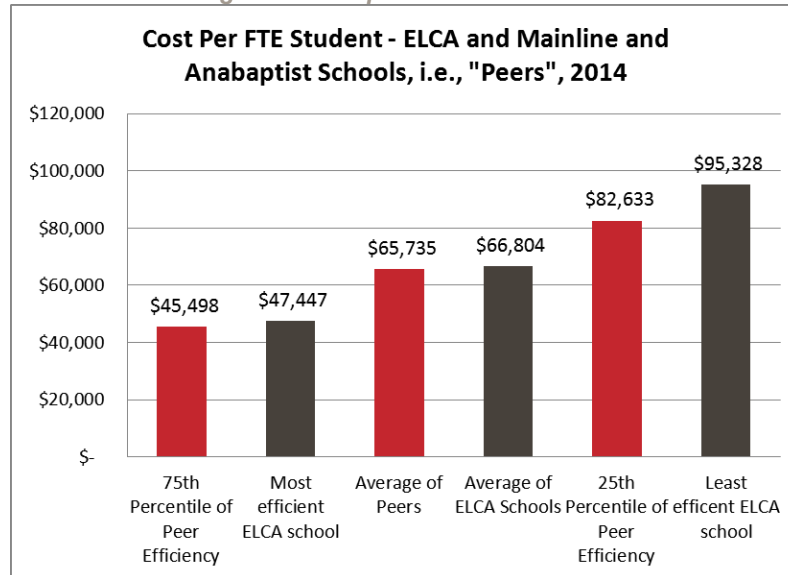
- > ***Average resource expended per student*** - the current average cost expended per theological student within the ELCA system is \$66,804 per student. Comparison with peer schools indicates that the average cost is slightly greater than peers, with some schools falling into the 25<sup>th</sup> percentile. The goal would be to have all schools fall into the 75<sup>th</sup> percentile as it is believed that the peer group overall is not as efficient as is required.





The level of spending in many areas outpaces that of others and points to an overburdened situation...

Figure 3: Cost per FTE Student



- > **Institutional support** - institutional support expenditures exceed the average by approximately \$4,000 more than the ATS average (\$15,714 excluding the embedded schools compared to an ATS average of \$11,741). Based on current student levels, this equates to a total of \$4.38M<sup>5</sup> more in institutional support expenditures annually across the network compared to the peer benchmark level.
- > **Student Services** - student services expenditures per FTE are \$3,607 per FTE compared to an ATS average of \$2,231. This indicates that in total the ELCA seminaries spend on average just over \$1,300 more per student. Based on current student FTE, this equates to a total of \$1.6M<sup>6</sup> more in total student services expenditures annually across the network compared to the peer benchmark level.

### Balancing the equation –physical assets

Further analysis of the level of physical assets underlines the fact that resource level reductions have not correlated to the decrease in students and that either a reduction in assets or a substantial increase in students is required to balance the current level of physical assets maintained from a financial perspective.

Across the eight seminaries approximately \$100 million (book value) is held in physical assets equivalent to total of 1,443,341 square feet of useable space. Based on a conservative analysis of unused capacity during core hours, it is estimated that approximately 22% of total space capacity (322,953 sq. ft.) is not used, which equates to

...it is estimated that approximately 22% of total space is not used.

<sup>5</sup> This compares the difference in total expenditures assuming the current FTE and current cost per FTE, versus the current FTE and the peer benchmark cost per FTE.

<sup>6</sup> This compares the difference in total expenditures assuming the current FTE and current average cost per FTE, versus the current FTE and peer benchmark average cost per FTE.



approximately \$33.7 million in value. The level of unused capacity varies by institution (see Appendix E for details.)

To illustrate the concept of balancing the equation, assuming a total seminary enrollment of 1,137 student FTE, and total seminary expenditures of \$67.9M, the seminaries collectively would need an additional 101<sup>7</sup> students to meet the average cost per FTE (for all ATS students). It is worthwhile to note that the rest of the industry is suffering the same problems as the ELCA schools (e.g., decreasing enrollment, overspending). Thus, comparisons are between similar contexts. One could argue that even for the peer benchmark group a more cost effective benchmark might be a 10% decrease in the average expenditures per FTE. In that case the ELCA would require 236 additional students (in total enrollment) to right size to an efficient peer cost level. So in other words, if one assumes that even the benchmark average is not at the optimal level and there is room to better balance students and expenditures by reducing costs by 10%, the ELCA would then need to increase students by 236 rather than 101.

Additionally, the operating cost of maintaining these assets is significant and reflected in the levels of deferred maintenance currently incurred by each seminary. The eight seminaries in total estimate between \$35.1 and \$50.8 M in deferred maintenance<sup>8</sup>. Even when subtracting the embedded seminaries, the average estimated deferred maintenance level per student is significantly higher than the ATS average of \$18,419<sup>9</sup> on both the low (\$24,720) and the high (\$36,667) level per enrolled student FTE perspective.

### ***Balancing the equation – human capital assets***

Human capital is the key component of the higher education “product” of educating students. As such, there is a significant level of faculty, staff, and administrative resources currently expended. Over 440 FTE are currently involved in delivering theological education at seminary locations across the nation. Of that amount there are approximately 120 faculty and 326 staff FTE allocated to various positions.

In conducting this assessment, we found that a major challenge for all seminaries is the availability of faculty with the required specialization consistently at each seminary site. Our evaluation looks at ways to ensure these specializations are in fact accessible to the students at each seminary, and offers an analysis of ways to achieve the alignment of faculty specializations with student need. An important consideration in this discussion is the one of tenure and its specific impact on the ability to modify the total number of faculty through faculty layoffs.

The American Association of University Professors (AAUP) 1940 Statement of Principles on Academic Freedom and Tenure describes tenure of faculty as it relates to the economic security and academic freedom afforded to a faculty member. Specifically, this

<sup>7</sup> The number of students required to balance total expenditures per FTE is intended to be illustrative of how “out of balance” the current expenditures per FTE are. Compare the previous “Growing Leaders” section that notes that in order to balance capital assets compared to number of students, the ELCA seminaries collectively would need an additional 800 students. This indicates that compared to expenditures per FTE (requiring an additional 101-236 students) the capital assets given the current student enrollment is more “out of balance.”

<sup>8</sup> Estimates of current deferred maintenance levels provided by seminary CFOs.

<sup>9</sup> The Commission on Accrediting of the Association of Theological Schools.



assumes that the faculty member will have continuous employment as articulated in the “precise terms and conditions” of their appointment. The key question to be resolved is what is meant by the precise terms and conditions of the employment agreement.

Many within higher education are facing this same challenge and are addressing the tenure discussion as follows:

- > Not being too prescriptive in the specific terms and conditions included in employment agreements
- > In the event of fiscal uncertainty and the need to reallocate or reduce faculty resources, do so in close conversation with faculty in coming to the best solution for both the institution and the faculty member
- > Offering opportunities to retain focus in area of specialization with options to “team teach” a course or series of courses to integrate the perspectives of different specializations and thus, strengthen the relevance of the course to the student
- > Set realistic expectations about future opportunities for tenure based on projected market and student needs and existing resources
- > Ensure that the mix of courses taught by the faculty member retains and respects areas of expertise and qualifications, and does not assume an “anyone can teach anything mentality”

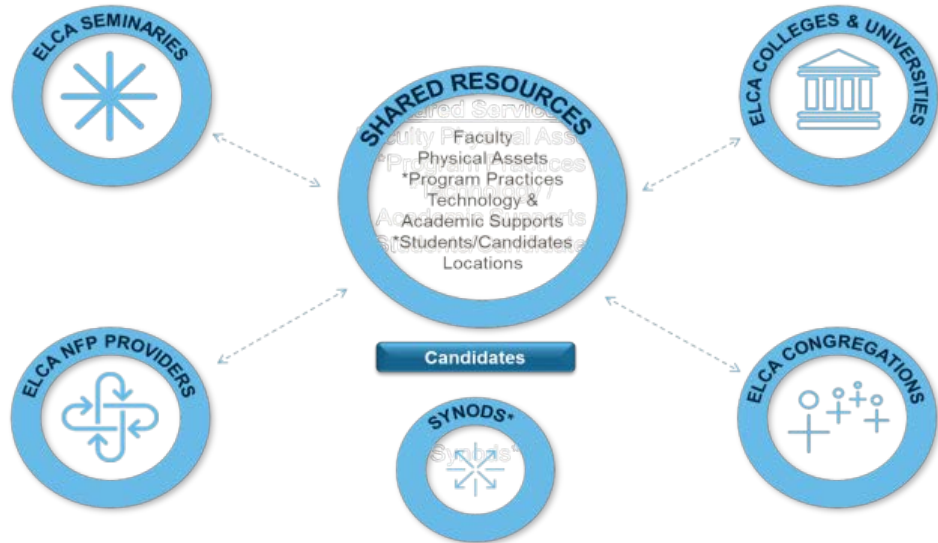
It will be key for the seminaries within the ELCA to come to agreement with its faculty and ensure an ongoing two-way dialogue if the impacts required to “balance the equation” are to be feasible.

In summary, though exceeding the costs of comparable schools, the level of resources committed on most fronts is not guaranteeing fulfilment of the mission expectations for the ELCA theological education. The challenge to the seminaries and leaders within the ELCA is to find those opportunities which allow realignment of resources in a way that most significantly impacts mission. By considering ways to collaborate, it will be possible to sustain current operations and also to utilize reallocated or saved resources, once the seminaries are in a position of fiscal surplus, toward experimentation or investment in innovation. This resource reallocation in alignment with mission may also positively impact the attraction of additional investment by donors, foundations or other granting entities.

The transformation of the delivery model needs to accomplish several things, most notably alignment of resources in a manner that expands the reach of theological education, is flexible in supporting the needs for rostered leaders, and is funded within recurring and reliable resources. Collaboration to optimize resources is a critical component of that transformation. Starting within the ELCA there are many opportunities to collaborate:



Figure 4: Collaboration Opportunities



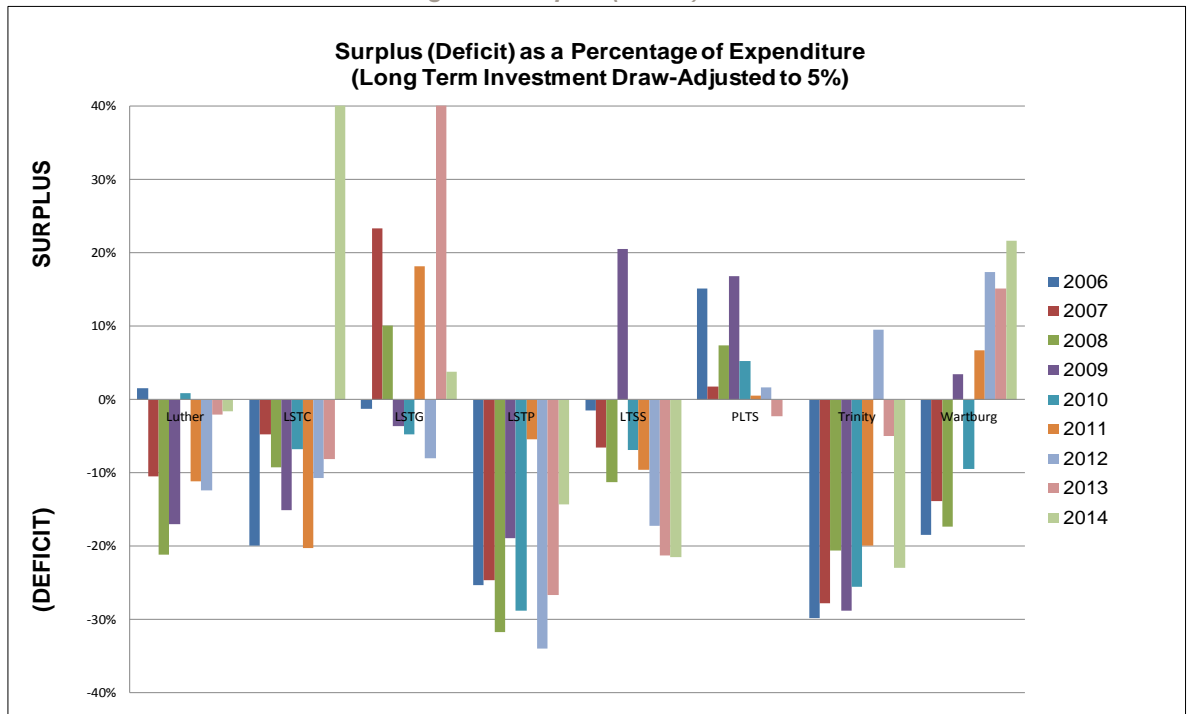
Each individual seminary is pondering ways to “right” its financial picture and mission focus. However, given the level of resources expended and the lessons learned from past attempts to address fiscal concerns, it may make sense to think about certain potential options on a global sense. Many concepts must be considered to ensure sustainable alignment of mission and resources and ability to meet the broader theological education needs of the ELCA.

### III. What is Possible? Impacts of Balancing the Asset Equation in Alignment with Mission

The goal of making theological education more sustainable is challenging, as previously noted. Diminished enrollment and a shrinking church membership erode revenues from tuition and gifts. The Great Recession negatively affected the value of endowments. Not surprisingly, most seminaries have struggled with operating deficits for the past decade.

How can the schools be made more sustainable? Although many individual school efforts are underway, a more holistic view of “how” to best align resources to mission is required.

Figure 5: Surplus (Deficit) Chart



As illustrated by the Surplus (Deficit) chart (Figure 5) above, there is urgency to reverse these deficits and align resources cost effectively with mission needs.

The estimates of savings and revenues that follow are *illustrative* of the potential opportunities for direct impact on sustainability. Again, a holistic view is required for maximum impact.

As previously identified, the level of **physical** assets currently committed is at a level which exceeds the optimal level for the currently enrolled student population. The cumulative physical asset commitment across all eight campuses is approximately \$100 million. There is too much space for current needs. This excess capacity should either: be repurposed for expansion of mission, sold for one-time revenue, or rented for recurring revenue. Dependent upon the model selected, if the 23% of campus capacity at just the non-embedded schools was either rented or sold, additional revenue streams would result in approximately \$25,394,000 in one-time or \$4,057,000 in annual recurring revenue (see Appendix G for details) .

Additionally, **deferred maintenance** continues to be a considerable liability for all campuses with an estimated current deferred maintenance range of \$30,946 – \$44,745 per student. The reduction of physical assets through adoption of different governance / deliveries model(s) would also significantly decrease deferred maintenance. Specifically, it is estimated that between \$6.5 and \$18.9 million in deferred maintenance costs can be eliminated for the non-embedded seminaries through the sale of unused physical assets (see Appendix D for details).

Another major ongoing expenditure is **faculty**. While it is recognized that each seminary has its own ethos and academic emphasis, our conversations across campuses identified faculty sharing as an approach to aligning resources to mission.

In many cases individual seminaries have right-sized faculty positions to the point where further reductions will harm their ability to be a viable quality education institution. However, there is still a need to align specialization with student demand and to ensure that faculty capacity is optimized. There is great potential for the ELCA theological education network to reduce or reallocate faculty to expansion of mission needs if minimum course size and distance learning platforms are adopted. Though we recognize there are some seminaries with excess faculty capacity, the more pressing issue is faculty with specialties that do not align with student needs on the particular campus on which that faculty are in residence.

By enforcing a class size minimum and using distance-learning technology to fill class sections with students from several seminaries, each seminary can both realize optimized capacity faculty and expand student opportunities to take courses in topics not offered at the student's home seminary. The current average course size across the seminaries is approximately 15 students, with a minimum of one student and a maximum of 86 students. If this faculty sharing approach was used only for introductory courses (excluding advanced courses and independent studies) with all seminaries enforcing a minimum of 15 students per course, 17 faculty could potentially be reduced or reallocated. Twenty-two faculty could be reduced or reallocated if a minimum of 20 students per introductory course becomes the adopted practice.<sup>10</sup> There is excess faculty capacity across the network as it relates to certain specialties.

<sup>10</sup> Calculated using course information provided by the seminaries.

The estimated savings or potential value of reallocated resources for sharing faculty across the six non-embedded schools is \$1.5 – \$4.4 million dependent upon the model selected.

Additionally, savings relative to centralizing key institutional support functions at the manager and above level can have significant impact (fiscal and other) through shared administrative positions. It is estimated that adopting the administrative structures outlined for each governance model can result in between \$1.5 - \$3.4 million in savings.

Table 3 below illustrates the potential impacts of a different governance model based on asset to student balancing assumptions:

*Table 3: Illustrative Impact Summary*

	<b>Physical Assets</b>	<b>Faculty</b>
Current Total Book Value (Physical Assets) Current Total Annual Expenditure (Faculty)	\$100,000,000	\$10,560,000
Current Total FTE	44 (staff FTE dedicated to maintenance operations)	120
Noted Gaps	Unused space of 23%	Courses not at minimum class size
<b><i>Illustrative Fiscal Impact (Savings or Available for Reallocation)</i></b>	<b><i>\$19 – \$25.4 million (sale of assets)</i></b>	<b><i>\$1.5 – \$4.4 million (require course minimums)</i></b>

The potential for reallocation of resources toward mission priorities is significant; however difficult decisions will be required at all levels.

### ***What is already happening?***

The seminaries and their individual boards continue to work diligently to address issues of sustainability from both mission and fiscal perspectives. Seminaries have been entrepreneurial in locating partnerships across a variety of entities to enhance academic programs, foster academic and administrative shared services agreements, and offer combined degrees. Seminaries often look to local partners before ELCA seminary partners, and in fact, significant cross collaboration on shared courses occurs with non-ELCA seminaries (e.g., Graduate Theological Union, Association of Chicago Theological Schools, etc.).

Likewise, innovation is occurring relative to expanded or enhanced mission focus across all campuses building on the distinguishing attributes of each seminary. Specifically we noted the following innovations to be celebrated:

- > Revised Master of Divinity program approaches
  - Revised program length to address debt issues
  - Revised focus to enhance leadership development
  - Increased time in and/or changes in sequencing of onsite placements
- > Increased partnerships for emerging ministries
  - Rural Ministries (e.g., cross seminary efforts)
  - Urban Ministries (e.g., Nonprofit partnerships)
  - Emerging Population Ministries (e.g., TEEM)
  - Ecumenical/Interfaith Centers (e.g., Islamic Studies and Interfaith Relations)
  - Multi-vocational leaders
- > Expansion of those educated, and strengthened congregation and seminary relationships
  - Seminary Advocates
  - Sponsored Congregational Leadership Development Events
  - Online Education for Lay Leaders
- > Collaborative recruitment at ELCA Colleges and Universities
- > Distance Learning offerings

However, these innovations are occurring in pockets and do not currently exhibit broad based sharing of either expertise for experimentation or results for effective implementation of effective practices. In fact, a lack of resources consistently available for innovative efforts restricts the ability to conduct meaningful and data driven experimentation in a manner that will have long-term impacts on the attraction and development of church leadership nationwide.

Thus, unfortunately, the potential for mission expansion is continually burdened for most by a required focus on financial challenges (e.g., structural deficits, overextended student debt, the constant pressure of fundraising, and burdensome reliance on endowment). The movement of two of the schools into an embedded governance model (i.e., they reside within an ELCA college or University) is just one of the options pursued in order to resolve fiscal issues and allow the type of mission innovation required. The partnerships between Lenoir-Rhyne University and Lutheran Theological Southern Seminary, and between California Lutheran University and Pacific Lutheran Theological Seminary are intended to strengthen the effective alignment of resources to theological education mission. The results of these recent changes in governance are not yet known.



## IV. Who is Responsible to Transform the Theological Education Approach (Governance)

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The ELCA has a long history of discussing and analyzing the challenges and issues relative to governance, impact, and cost of ELCA theological education. A 1995 report entitled *Faithful Leaders for a Changing World: Theological Education for Mission in the ELCA*, outlines many of the same issues identified as part of this assessment and specifically evaluated the required steps to address the 11 imperatives identified at the 1993 Churchwide Assembly. At its core, this 1993 report discusses the need for “a new structure to enhance collaboration and coordination” through a “cluster of interdependent networks of theological education providers.” During this period of discussion, the seminaries embraced this concept and went to work to maximize resources, set priorities, and enhance the preparation of leaders within the clusters.

Most agree that the results of the cluster formation are mixed, with some initiatives resulting in significant impact and others being viewed as little more than a gentlemen’s agreement to keep each other informed.

The reality is that while theological education continues to be a focus of mission for the ELCA, the current and anticipated paradigm shift in level of commitment to traditional, mainline religion, combined with public sensitivity to high levels of student debt, paints a complex and challenging picture for theological education across all religions.

This is a problem to be solved by the whole of the ELCA network. The power to make significant change resides at the local (seminary) level. In fact, under the current ELCA bylaws, while the ELCA has authority to “sponsor, support, and provide for oversight of seminaries for the preparation of persons for the ordained and other ministries and for continuing study on the part of ordained ministers and laypersons” each seminary is a separately incorporated entity with a separate governing body that holds the power to make all strategic decisions.

The difficult challenge is that while the “power” resides at the individual board level, the desire for change impacts stakeholders throughout the entirety of the Church. As such, it is imperative that all stakeholders convene to develop an attractive strategic plan that promotes sustainability in the broadest sense. The level of involvement in a new strategy to transform theological education by ELCA churchwide is ultimately the decision of each seminary board; however, that being said, the tremendous benefits of a common vision, central oversight approach, consistent and reliable funding source, and convener of impactful initiatives should not be minimized.

The governance options presented in this report provide a broad continuum of centralized and locally focused governance intended to drive discussion about the greatest point of sustainable impact. The actual governance representation within these structures will be critical to ensuring articulated outcomes drive action.

The governance models offered provide the information required to objectively view various options towards sustainability of which the recommended solution may be somewhere in between or a combination of all of the above. The compare and contrast approach will allow for depth of dialogue about which model or combination of them has the potential for impact and participation.

## V. Governance Options – Model Matrix

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The matrix which follows takes a compare and contrast approach, outlining various options for meeting TEAC objectives. It is important to remember that Baker Tilly's assessment is but one piece of a much broader discussion aimed at answering the questions that define TEAC's initiative. This matrix outlines options for the organizational and structural transformative change that must occur in order to realize education that is *more far-reaching, more sustainable, more connected, and flexible*. It is up to the TEAC, the seminaries, and other Church leadership to discern what that transformed mission and leadership development will look like.

The five models presented are:

- I. Central System
- II. Limited Central System
- III. Regional System
- IV. Joint Ventures
- V. Current State

The options or variables under each model of organizing the ELCA seminaries are presented in the following order:

- > Description of the Models
  - Governance
  - Relationships
  - Student Impact
  - Program Emphasis and Delivery
  - Public Relations
  - Resources
  - Financial Authority and Exit Strategy
- > Estimated Mission Impact
  - Regarding the TEAC Agenda
- > Illustrative Fiscal Impact
- > Risk and Problem Areas
- > High Impact Leverage Points

It is important to note that in our impact analysis we have assumed a steady total seminary enrollment for purposes of discussing the need to balance the equation of assets to students. While we recognize that current student enrollment may decrease (or

increase) substantially in the future, the evaluation of market trends of potential future enrollments was not within the scope of this project; rather, the objective was to outline key actions and shifts in resources required to ensure sustainability of the ELCA theological education model. It is not feasible to accurately predict the future enrollment in theological education due to uncertainty relative to church membership, congregational mergers or dissolutions, and other variables. Therefore, the calculations assume a baseline enrollment, with the assumption that any new students in addition to this baseline would result in new revenue which requires less “balancing” to occur (i.e., increases in enrollment through initiatives which address the leadership needs of the Church and which also provide new revenue sources would aid in “balancing.”) What is outlined below is illustrative of what is feasible in terms of balancing resources to students within each of the models identified.

Models					
Variables:	A. Central System	B. Limited Central System	C. Regional Systems	D. Formal Network - Joint Ventures	E. Informal Model – Current State
<b>Paradigm Description</b>	<p>One seminary, many places, governed centrally with a single Board; authority located in one place in the system will determine all priorities. Schools have advisory boards for relating to synods and donors.</p>	<p>Separate parent corporation (e.g. Theological University) and separate subsidiaries. Parent retains overall financial oversight; and sets explicit expectations relative to fiscal health, balanced budgets, and level of assets. Approval of financial plans and endowment spending required from Parent Board. Parent invests in<sup>11</sup> and requires participation in targeted academic and administrative joint ventures. Also, ensures relevant programs to achieve ELCA educational mission.</p> <p>Parent delegates location related operations (e.g., facilities, direct student services) to multiple presidents<sup>12</sup> and boards. However if a school is deemed “failing” the parent assumes ownership of asset management. In general, healthy schools will be given more latitude and</p>	<p>Three to four central systems (i.e., one seminary, with many locations) based regionally, developed in alignment with mission growth needs and based on geographic coverage through a mix of full service campuses and satellites. It is assumed here and in all models that Churchwide expectations for the education of rostered leaders will continue in force.</p>	<p>Option 1: Joint venture approach through formal agreements for a finite time by individual project or by category (e.g., shared services, leadership development, academic program development, faculty sharing). Overall expectations for collaboration outcomes set globally, parameters for funding and accountabilities set by agreement. No geographic limitations.</p> <p>Option 2: Model of a research center/experiment incubator to prioritize, initiate, and execute joint ventures. <i>Note: Column D was filled out with Option 1 in mind, but Option 2 should be considered as well.</i></p>	<p>No change to the current arrangements.</p>

<sup>11</sup> The nature or source of these investments is to be determined. Some of this funding could come, for example, from the savings gained from efficiencies in this model (e.g., shared services, reduced administrative positions).

<sup>12</sup> The reference to subsidiaries assumes the six non-embedded seminaries would participate in this model with the two embedded seminaries retaining separate governing authority, required to adhere to the required parameters for being an ELCA theological seminary (per ELCA bylaw 8.32.06), and participating in joint ventures as deemed appropriate.

Models					
Variables:	A. Central System	B. Limited Central System	C. Regional Systems	D. Formal Network - Joint Ventures	E. Informal Model – Current State
		struggling schools more oversight.			
<b>Timeline</b>	Estimated: three to five years. Model A would likely take the longest to implement, with savings estimated in the matrix not being fully realized until after this time period. Selecting this model as the end goal does not preclude other short-term measures to ensure fiscal sustainability, as not all the seminaries have three to five years to wait.	Estimated: three to four years. Model B would likely require slightly less time than model A as the seminaries would not have to join as many operations centrally. The savings estimated in the matrix would not be fully realized until after this time period. Selecting this model as the end goal does not preclude other short-term measures to ensure fiscal sustainability, as not all the seminaries have three to four years to wait.	Estimated: two to four years. Selecting this model as the end goal does not preclude other short-term measures to ensure fiscal sustainability, as not all the seminaries have up to four years of financial solvency. Formation of a regional system would take less time than Model A and Model B as it involves fewer institutions. It may take more time to fully realize the estimated savings represented in this matrix.	Estimated: less than one to two years. Some joint ventures would be easier to implement than others (e.g., shared IT provider versus shared faculty joint venture; joint experimentation could take some considerable time for the total experiment to be finalized, but initial changes could occur once the design is determined).	No change to the current arrangements.
Governance					
<b>Governance Scope</b>	Completely centralized fiduciary and mission responsibility including budgets, programs, and administration. Embedded would not see any changes relative to their primary governing authority but would participate in this	Parent has fiduciary and mission authority, but execution is delegated to subsidiaries with the exception of those things that are deemed required joint ventures (e.g., national faculty, strategic planning, DL platform, certain areas of institutional support). Embedded would not see any changes relative to their primary governing authority but would	Primary fiduciary and mission responsibility delegated to the regions with general parameters and performance criteria dictated by the regional body. Shared services can be within and outside ELCA entities within the region with first consideration given for cross-ELCA collaboration.	Fiduciary and mission responsibility based on agreements with some oversight for expected outcomes (i.e., rules of engagement) from churchwide for any church related funding. Governing input can be equal or based on contributing equity.	Purview of each institution's Board. TEAC, synods, other boards, and agencies have the opportunity to make suggestions.

Models					
Variables:	A. Central System	B. Limited Central System	C. Regional Systems	D. Formal Network - Joint Ventures	E. Informal Model – Current State
	governance model.	participate in this governance model.	Embedded would not participate in this governance model but would be able to participate in joint ventures offered within their region.		
Governance					
<b>Composition of Governing Body or Bodies<sup>13</sup></b>	One centralized governing board for non-embedded schools. Trustee composition either self-perpetuating or partially or wholly comprised of representatives (e.g., former Board members, synods, congregations).	For the subsidiaries there would be two levels of oversight: 1) Parent board - either self-perpetuating or one comprised wholly or partially of representatives including those directly aligned to the Church council and representative of the subsidiary; and 2) Subsidiary boards determined by the schools according to their needs and relationships.	Single governing board for each region with membership which may include representatives of regional judicatories (e.g., synods, areas), donors, and/or current Boards.	Joint ventures would have advisory or formal partnership corporation boards. Seminary governing boards would be nominated and elected as at present.	No change from current.

<sup>13</sup> Some observers assert that the strongest boards are self-perpetuating, i.e., determining their own membership within broad guidelines, such as “A majority of trustees shall be members of the ELCA.” In the best of circumstances such boards populate themselves with motivated individuals able to contribute substantial work, wealth, and wisdom. This kind of board can be effective in raising funds. On the downside, this kind of board can become ingrown and insular.

Another approach is to delegate the nomination of trustees to ecclesial bodies, thereby assuring “representation” and a higher degree of ecclesial control. Under this approach “representatives” could include persons nominated by the theological schools to the central board, a specified number of bishops, or other ecclesial leaders, and persons representing particular constituencies. This approach to trusteeship is often seen when seminary boards are primarily concerned with the educational content and formation process. The approach is weaker when fundraising is a significant responsibility.

Typically theological schools have a mix of designated and at-large appointments.

Models					
Variables:	A. Central System	B. Limited Central System	C. Regional Systems	D. Formal Network - Joint Ventures	E. Informal Model – Current State
Governance					
<b>Executive Leadership or Role of the President</b>	<p>The CEO appointed by the central board would monitor, counsel, and when necessary direct seminary COOs. Oversight of system-wide strategic planning and allocation of resources.</p> <p><i>Seminary CEOs in embedded schools would be appointed by their universities.</i></p>	<p>Central CEO (e.g., Chancellor) appointed by the central board would monitor, counsel, and when necessary direct seminary CEOs (e.g., Presidents). Subsidiary CEOs would be elected or terminated by the Parent board. It would likely do so in consultation with the subsidiary board.</p> <p><i>Seminary CEOs in embedded schools would be appointed by their universities.</i></p>	<p>The regional boards would each elect or terminate their CEO. Duties would not be unlike those of current CEOs. Each location may have an Academic dean and/or COO or Manager of Operations.</p> <p><i>Seminary CEOs in embedded schools would be appointed by their universities.</i></p>	No change from current.	No change from current.
<b>Governance Considerations</b>	<p>Minimal complications; clear authority over all schools.</p>	<p>The degree of delegation and self-determination of the subsidiaries is challenging, requiring careful delineation.</p>	<p>Governance would be at the regional level for mission priorities and fiduciary matters. Execution of the mission would also be the responsibility of the regional entity in collaboration with other entities.</p>	<p>Any collaborative venture would only include those seminaries willing to participate.</p>	<p>Minimal complications; clearly distributed authority.</p>



Models					
Variables:	A. Central System	B. Limited Central System	C. Regional Systems	D. Formal Network - Joint Ventures	E. Informal Model – Current State
Governance					
<b>ELCA Exercises Significant Influence Through:</b>	In all models the ELCA will continue to exercise significant influence through standards for ordination and education of rostered leaders, as it does currently.				
	<p>Churchwide will continue to determine standards for education of rostered leaders. Transparency by the central board will foster accountability to the wider church. Agencies and assemblies will continue to make requests and suggestions to the board and thus to the seminaries.</p> <p>ELCA funds may be prioritized and potentially redirected from other initiatives based on theological needs and potential impact on mission.</p> <p>Would continue to oversee Board nominating process and</p>	<p>Parent organization would define expectations of outcomes related to ELCA standards for ordination, education of rostered leaders, board criteria, etc.</p> <p>For healthy schools, implementation of this would be largely up to each individual site (<i>what</i> is defined by parent, <i>how</i> is determined by subsidiary).</p>	<p>Regions would have increased accountability for governance, mission direction, leadership formation priorities, etc.</p>	<p>Potential funding of joint ventures could occur through churchwide annual “joint venture” allocation, coordinated donor “ask,” and individual contributions from participants.</p> <p>ELCA bodies may suggest projects for collaborative work.</p>	<p>No change to current.</p>

Models					
Variables:	A. Central System	B. Limited Central System	C. Regional Systems	D. Formal Network - Joint Ventures	E. Informal Model – Current State
	criteria for Board membership <sup>14</sup> . Would see more implicit connections and partnerships with other ELCA entities.				
Governance					
<b>Metrics/Accountabilities</b>	Transparency to the ELCA on finances, educational program statistics, student debt levels. Each location has accountability to central governing body in the above areas.	Financial, educational, and student debt performance metrics as determined and monitored by parent, and are the responsibility of the subsidiary to meet.	Financial, educational, and student debt performance metrics as determined and monitored by regional governance body.	Milestones and other metrics pertaining to joint ventures would be monitored by the funding source and advisory or corporate board, and reported back to participants, as well as others, to communicate results and encourage adoption of best practices.	Current reporting and transparency. Loyal accountability to the ELCA; legal accountability to each school's board and the state of incorporation.

<sup>14</sup> Please note: this currently exists to some extent and could exist in some of these models but would need to be adjusted depending on the model.

Models					
Variables:	A. Central System	B. Limited Central System	C. Regional Systems	D. Formal Network - Joint Ventures	E. Informal Model – Current State
<b>Governance</b>					
<b>Number and Location Decisions, including Possible Mergers.</b>	The Board decides number and location, and may merge some or all full service campuses.	Parent board assesses the sustainability of each subsidiary; failing schools are asked to merge, embed, or transform mission and resources into something that furthers the mission of the Church and is more fiscally sustainable.	This would be challenging, as existing seminaries would have to agree on the new assignment of regional responsibilities. This could imply that some schools would have to consider relocation.	Each school's board determines its location(s). These could change by voluntary mergers or other partnerships based on results of joint ventures. The number of the schools could increase if new schools are founded.	Each school's board determines its location(s). These could change by voluntary mergers or other partnerships. The number of the schools could increase if new schools are founded.
<b>Funding Model<sup>15</sup></b>	Centrally managed funds sourced through national and synod funding; individual and foundation philanthropy; endowment; tuition. Campus consolidation converts physical assets to invested financial assets.	Funding for parent from national funds, foundations, and allocations for centralized services. Seminary operations funded through synods and as current through donors and gifts, endowment and tuition. Budget allocations and monitoring by parent.	Funding for regional oversight comes from national level, the synod, and/or reallocated resources from current model. Decisions regarding funding would be at the regional rather than school level.	Funding for joint venture investments largely through centrally coordinated donors or shared churchwide funds, if available. Shared service funding and cost allocation managed through formal agreements between participating entities.	National and synod funding; individual and foundation philanthropy; endowment; tuition.

<sup>15</sup> All models assume that potential reallocated resources or cost savings will be available to fund one time and/or recurring budgetary costs. Caution should be used in implementation planning, as fiscal impacts may not be realized immediately and may require investments initially. Additionally, the level of effort expended by administrators in moving to consolidated or shared operations should be factored into resource planning as well.

Models					
Variables:	A. Central System	B. Limited Central System	C. Regional Systems	D. Formal Network - Joint Ventures	E. Informal Model – Current State
<b>Governance</b>					
<b>Endowments and Funds Functioning as Endowments</b>	Managed by the central board.	Managed by the parent board.	Managed by the regional boards.	Managed by each seminary or parent university.	Managed by each seminary or parent university.
<b>Embedded Schools</b>	<b>Embedded schools participate but are not governed by the system.</b> Have presence (voice but no vote) on the board on matters relevant to their work. Opportunities for collaboration are extended to embedded schools. They are governed by their parent university's board	Same as Model A.	<b>Embedded schools voluntarily participate in regional collaborations.</b> They are governed by their parent university's board.	<b>Embedded schools voluntarily participate in collaborative ventures and could take ownership of joint ventures.</b> They are governed by their parent university's board.	No change – governed by their University's Board.
<b>Relationships</b>					
<b>Connection to ELCA Colleges and Universities</b>	More formal approach to link college/ university resources to system needs. Arrangements made by system with individual colleges/universities as needed and appropriate.	Arrangements made with colleges/universities as needed and appropriate with the parent being accountable to raise opportunities for collaboration as appropriate.	Highly desirable within the region and directed by regional CEO's and boards.	College and university resources should be availed for some studies, projects, and joint ventures.	Arrangements made with individual colleges/universities as needed and appropriate.

Models					
Variables:	A. Central System	B. Limited Central System	C. Regional Systems	D. Formal Network - Joint Ventures	E. Informal Model – Current State
Relationships					
<b>Relationship to Synods</b>	Synod influence on governance weakened.	Synod representation on boards maintained.	Very close relationships.	Heightened involvement of synods (and congregations) in shaping some collaborative ventures.	As at present.
<b>Joint Ventures<sup>16</sup></b>	The central board could undertake joint ventures with organizations inside and outside the ELCA.	Joint ventures developed by subsidiaries would have to be carefully monitored by the parent board so that they achieve the mission and meet financial goals.	The regional boards could undertake joint ventures with organizations inside and outside the ELCA.	Each seminary is free to undertake joint ventures with the approval of its governing board.	Each seminary is free to undertake joint ventures with the approval of its governing board.

<sup>16</sup> Joint ventures are undertakings of two or more organizations for the accomplishment of a specific purpose, often time-limited and narrowly defined. Legally they may be one of three types: 1) a contractual relationship between the sponsors, 2) a partnership, joint powers authority or Limited Liability Company, or 3) a corporation with its own board that may be wholly owned entirely or in part by the sponsors. The corporate joint venture is usually intended to continue indefinitely. The joint venture agreements have to be carefully drawn so that responsibilities, costs, goals, and accountabilities are clear. Jane Arsenault, Forging Nonprofit Alliances, Jossey-Bass, 1998.

Models					
Variables:	A. Central System	B. Limited Central System	C. Regional Systems	D. Formal Network - Joint Ventures	E. Informal Model – Current State
Student Impact					
<b>Student Educational Debt</b>	<p>Increased financial assets and consolidated cost savings can reduce net costs to students. Metrics for debt levels will be set and monitored relative to distribution of scholarship funds. Robust DL for academic and internship purposes can reduce debt for those keeping full time employment.</p>	<p>Coordination on best practices strongly urged by parent. Metrics developed for student debt for use in parent monitoring use of scholarship funds. Parent can set timetables for change.</p> <p>Robust DL for academic and internship purposes can reduce debt for those keeping full time employment.</p>	<p>Insofar as regionalization generates greater involvement and donations, net costs to students may decrease.</p>	<p>Envision the joint board or advisory body will serve to ensure movement on recommendations of existing studies (e.g., Lilly Endowment Grant) related to student educational debt; further necessary study on this or other issues may be pursued by a coalition of institutions as a joint study.</p> <p>Robust DL for academic and internship purposes can reduce debt for those students with full time employment.</p>	<p>Individual schools may address this issue as they wish.</p>
<b>Recruitment of Students, Encouragement of Vocations</b>	<p>Consolidated recruitment, and therefore greater deployment of staff to different populations such as camps, Young Adults in Global Mission (YAGM); no competition, therefore longer-range developmental strategy could emerge.</p>	<p>Schools recruit individually, as at present in their cooperative but competitive mode. More extensive recruitment (YAGMs, etc.) would need to be organized and funded.</p>	<p>The visibility of the school would be much higher in the region.</p>	<p>A joint venture on encouraging vocations may be considered.</p>	<p>Schools recruit individually, in their cooperative but competitive mode. More extensive recruitment (e.g., YAGMs) would need to be organized and funded.</p>

Models					
Variables:	A. Central System	B. Limited Central System	C. Regional Systems	D. Formal Network - Joint Ventures	E. Informal Model – Current State
Program Emphasis and Delivery					
<b>Academic Program Development</b>	Programs at any or all locations may be initiated, ended, or combined at the discretion of the board. Possibilities include a single PhD program, a single DL platform, or the creation of national centers of excellence.	Consolidation, cooperation, and coordination strongly urged by parent. Parent can set timetables for change.	Developed by the seminaries with the needs of the region foremost in mind.	May be developed by a coalition of institutions as a joint venture.	Programs are largely developed by individual schools, with inter-institutional communication through the deans and other means.
<b>Lay and Rostered Continuing Education</b>	Operating resources may be reallocated to lay and continuing education due to consolidation savings and increased endowment. DL platform to increase accessibility may be developed for laity and rostered leaders.	Consolidation, cooperation, and coordination strongly urged by parent. Parent can suggest parameters and timetables for change. DL may be developed for laity and rostered leaders. Reallocated resources may be prioritized toward these efforts.	If a priority, programs may be developed by the seminaries with the needs of the region foremost in mind.	May be developed by a coalition of institutions as a joint venture.	Programs are largely developed by individual schools, with inter-institutional communication through the deans and other means.
<b>Distributed Learning</b>	Highly robust program needed to make up for lost regional presence.	Coordination strongly urged by parent. Parent can set timetables for change.	Developed by the seminaries with the needs of the region foremost in mind.	May be pursued by a coalition of institutions as a joint venture, or by individual schools.	Levels of investment in DL vary by school.

Models					
Variables:	A. Central System	B. Limited Central System	C. Regional Systems	D. Formal Network - Joint Ventures	E. Informal Model – Current State
<b>Scholarly Research and Production</b>	Sharply reduced due to diminished faculty.	May be reduced as faculty sharing grows.	No change anticipated.	Increased as joint research and projects would be encouraged.	As at present.
Public Relations (PR)					
<b>Philanthropic Impact</b>	Some potential loss of donors whose affiliated school is merged; long-term upside potential due to improved quality and institutional reliability which could attract more donors.	Current arrangements and relationships with donors maintained (this a major reason for retaining presidents and boards).	Individual donor arrangements and relationships would be within the region. Judicatory funding and decisions regarding allocations would be made by those entities.	Positive impact on some (e.g., donors seeking more collaboration and impact, such as Lilly Endowment initiatives). Negative impacts minimized due to entities retaining their identities.	There is some probability that ELCA funding will remain flat or decline. Skill in identifying, cultivating, and soliciting individual donors will be valuable.
<b>Public Reaction</b>	Applause for efficiency; objections by alums and regions to the “closing” (i.e., merger) of schools.	Criticism for adding another hierarchical and bureaucratic layer. Applause for creating more of a system.	Likely mixed. Applause for trying to be regionally responsive. Concern about any disruption and cost.	Likely positive, depending on the nature of the collaboration.	None, as there is no change. Potential for continued frustration with number of seminaries.



		Models				
Variables:	A. Central System	B. Limited Central System	C. Regional Systems	D. Formal Network - Joint Ventures	E. Informal Model – Current State	
<b>Resources</b>						
<b>Shared Faculty</b>	Required, so may be more efficiently deployed. Tenure approach addressed globally <sup>17</sup> . Consolidation savings. Greater flexibility in hiring faculty with specializations to support the mission of the Church.	Strongly urged by parent in the broadest sense; may be required for core courses where specialization supply is not in alignment with demand.	Faculty sharing agreements could occur on a regional level whether for one-time sharing, shared hiring of faculty, distance learning models, or others.	Could be a requirement of participation in a joint venture; and will happen, as at present, on an ad hoc basis, or by arrangements between institutions.	Will happen, as at present, on an ad hoc basis, or by arrangements between institutions.	
<b>Educational Research and Innovation</b>	Operating resources may be reallocated to research and innovation due to consolidation savings and increased endowment. Research may include new models of educating clergy; new models used in other fields; pilot programs.	Cooperation and coordination strongly urged by parent. Parent can set timetables for change.	Developed by the seminaries with the needs of the region foremost in mind.	May be pursued by a coalition of institutions as a joint venture, or by individual schools.	Innovation and change in programs and curricula are largely developed by individual schools. Inter-institutional communication through the deans and other means.	

<sup>17</sup> Tenure issue will need to be addressed relative to reallocation of faculty between courses and schools; and what if any layoff parameters are appropriate due to fiscal exigency.

Models					
Variables:	A. Central System	B. Limited Central System	C. Regional Systems	D. Formal Network - Joint Ventures	E. Informal Model – Current State
Resources					
<b>Shared Institutional Staff and Costs</b>	Resources may be more efficiently deployed and a more strategic approach taken to use of assets both geographically as well as programmatically. Potential consolidation savings.	Consolidation, cooperation, and coordination strongly urged by parent. Parent can set timetables for change.  Potential for additional cost due to increased hierarchy if not carefully designed.	Regional oversight design would need to consider how to not increase costs. Opportunity to share with churches or judicatories in the region.	May be pursued by a coalition of institutions as a joint venture.	Very little at present.
Financial Authority and Exit Strategy					
<b>Capital Acquisition, Disposition, and Financing Authority</b>	All assets, liabilities and net assets would transfer to the central board, which would be responsible for the acquisition or disposition of any significant physical assets. It may designate the proceeds from disposition to purposes furthering the mission. Capital fundraising for particular campuses would be in cooperation with the campus' advisory	The parent board would combine endowments and manage investments and provide spending guidelines. Capital fundraising would be in cooperation with the subsidiaries' boards. The parent board would approve subsidiaries' financing plans and work to ensure fiscal health and subsidiary boards would maintain fiduciary responsibility. The subsidiary board would manage the physical assets in trust. The parent board would approve system-wide strategic planning. In pursuit of the plan,	Regional boards would be responsible for the acquisition or disposition of any significant physical assets. They may designate the proceeds from disposition to purposes furthering the mission. Capital fundraising for the region would be in cooperation with the campuses in the region. The regional boards will have the right to borrow and pledge assets as collateral.	Individual seminary boards would be responsible for the acquisition or disposition of any significant physical assets. They have the right to borrow and pledge assets as collateral. They have the privilege of raising capital funds.  Financing of joint venture capital assets would have to be thoroughly delineated and agreed by the sponsors.	The individual seminary boards are responsible for the acquisition or disposition of any significant physical assets. They have the right to borrow and pledge assets as collateral. They have the privilege of raising capital funds.

Models					
Variables:	A. Central System	B. Limited Central System	C. Regional Systems	D. Formal Network - Joint Ventures	E. Informal Model – Current State
	board. The central board will have the right to borrow and pledge assets as collateral.	it would approve the subsidiaries' acquisition or disposition of any significant physical assets. For failing schools, all assets, liabilities and assets would transfer to the parent board.			
Financial Authority and Exit Strategy					
<b>Exit Strategy, or Reversion to the Current Status Quo</b>	Seminaries have to opt in, but can opt out before final merger negotiations are complete and documents executed. After legal merger they cannot opt out, although the central board can spin them off (i.e., no longer take responsibility for them, for example, by giving the seminary its assets and let the seminary be free standing or align the seminary with a university or other partner) if warranted.	Seminaries have to opt in, but can opt out before final merger negotiations are complete and documents executed. After legal merger they cannot opt out, although the parent board can spin them off if warranted (see Model A for further explanation).	Seminaries have to opt in, but can opt out before final merger negotiations are complete and documents executed. After legal merger they cannot opt out, although the regional board can spin them off if warranted.	Seminaries participating in joint ventures are generally obligated to meet their responsibilities as contracted, as a partner, and as an owner in the joint venture. Special arrangements would be required for an early exit.	Status quo continues.

Estimated Mission Impact					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
Regarding the TEAC Agenda (see Appendix B)					
<b>More Far Reaching</b>	Maybe, if saved resources are reallocated toward mission needs and/or locations through satellites and distributed learning (DL).	Maybe, if saved resources are reallocated toward mission needs and/or locations through satellites and DL, and if the parent and subsidiaries agree.	May vary with the amount of available resources and associated revenue of the new ventures.	May vary with the amount of available resources and associated revenue of the new ventures.	Status quo (e.g., each seminary determines initiatives to accomplish greater reach).
<b>More Connected and Flexible</b>	Yes, shared resources and increased flexibility in aligning expertise and programs with needs and use of ELCA-wide assets.  No, large entity reduces nimble decision-making.	Yes, shared resources increase flexibility in aligning expertise and programs with needs and use of ELCA-wide assets.  No, shared authority reduces nimble decision-making.	Yes, on a smaller scale within the region. Deeper relationships may be possible given focused strategy.	Connectivity should improve in a way appropriate to the collaborative venture under consideration.	Status quo (e.g., each seminary determines initiatives to accomplish).

Estimated Mission Impact					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
Regarding the TEAC Agenda (see Appendix B)					
<b>More Sustainable</b>	Yes, ability to share specializations in leadership formation allows entity to have expertise to address changing market needs. Yes, economies of scale improve fiscal sustainability picture. Yes, student debt metrics can drive use of scholarship more effectively toward highest priorities. Yes, can consolidate schools when necessary.	Yes, ability to share specializations in leadership formation allows entity to have expertise to address changing market needs. Yes, economies of scale improve fiscal sustainability picture. Yes, student debt metrics can drive use of scholarship more effectively toward highest priorities. Yes, can consolidate schools when necessary.  Poor performance by subsidiaries may negatively impact the ability to reach sustainability.	May depend on the strength of support from donors and judicatories within the regions.	To the extent that collaboration leads to new revenue or to consolidation sustainability is strengthened.	Status quo. The sustainability of each seminary continues as at present.
<b>Realignment of Resources to Emerging Population</b>	System-wide resources (i.e., all ELCA assets) relevant to emerging populations may be readily identified. If a priority, resources may be allocated and decisions about number and locations directly aligned.	Resources relevant to emerging populations may be readily identified. If a priority, a timetable for development may be set.	Insofar as these are regional concerns, resources may be reallocated.	This could be an occasion for a collaborative project. Realignment of resources requires a realignment of priorities.	This would depend on the mission priorities of the individual institutions.

Estimated Mission Impact					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
Regarding the TEAC Agenda (see Appendix B)					
<b>Revenue Impact<sup>18</sup></b>	Donor Impact: \$2.9M  Rental Income: \$4.1M (Annual)  Sale of Assets: \$25.4M (One time)	Donor Impact: \$3.1M  Rental Income: \$3M (Annual)  Sale of Assets: \$19M (One time)	Donor Impact: \$2M  Rental Income: \$2.3M (Annual)  Sale of Assets: \$16.9M (One time)	Donor Impact: Dependent upon joint venture  Rental Income: Dependent upon joint venture  Sale of Assets: N/A	Donor Impact: N/A  Rental Income: \$4.6M (Annual)  Sale of Assets: \$33.7M (One time)

Illustrative Fiscal Impact					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
<b>Expenditure Impact<sup>19</sup></b>	Estimated impact (savings / reallocation) on annual operating expenditures: <b>\$8.2M</b>  One-time expenditure impact variables:	Estimated impact (savings / reallocation) on annual operating expenditures: <b>\$4.9M</b>  One-time expenditure impact variables: > DL platform	Estimated impact (savings / reallocation) on annual operating expenditures: <b>\$3M</b>  One-time expenditure impact variables: > Regional DL platform	Estimated impact (savings / reallocation) on annual operating expenditures: <b>\$TBD (see example joint ventures)</b>  One-time expenditure impact variables: Development of experiment incubator oversight	Estimated impact (savings / reallocation) on annual operating expenditures: <b>Dependent upon seminary</b>

<sup>18</sup> Precise estimates of the revenue impact cannot be accurately made at this point. Such estimates would depend on the number of seminaries opting into a consolidation (Model A, B, or C) and the receipts from any property sales. Effects on donations – whether up or down - are speculative.

<sup>19</sup> Transitioning to a new model carries costs which are difficult to estimate at this point. Costs will depend on the seminaries opting into the model, the assets, and operational strength they bring, geography, and other factors.

Illustrative Fiscal Impact					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
	<ul style="list-style-type: none"> <li>&gt; DL platform</li> <li>&gt; Faculty training for DL platform</li> <li>&gt; Startup costs of implementing a system model</li> <li>&gt; Staff training related to system-wide operations</li> <li>&gt; Potential costs for reduction of tenured faculty</li> <li>&gt; Recruiting costs for new staff positions</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Faculty training for DL platform</li> <li>&gt; Startup costs of implementing a system model</li> <li>&gt; Staff training related to system-wide operations</li> <li>&gt; Potential costs for reduction of tenured faculty</li> <li>&gt; Recruiting costs for new staff positions</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Faculty training for DL platform</li> <li>&gt; Startup costs of collaborating regionally</li> <li>&gt; Staff training related to regional based operations (e.g., finance, facilities)</li> <li>&gt; Recruiting costs for new staff positions</li> </ul>	framework	One-time expenditure impact variables: N/A

Illustrative Fiscal Impact					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
<b>Faculty Expenditures</b> <sup>20</sup>	Estimated savings: \$4.4M of available resources to reallocate or reduce.	Estimated savings: \$1.9M of available resources to reallocate or reduce.  Estimated	Estimated savings: \$1.5M of available resources to reallocate or reduce.  Estimated	For illustrative purposes, assume three seminaries collaborate on a rural ministry pilot project; each does not fill two faculty positions that have	Faculty sharing will continue on an ad hoc basis. While the savings could be similar to

<sup>20</sup> Note that these figures represent estimated eventual savings or resources for reallocation. A majority of the ELCA seminaries' faculty is tenured; therefore, changes above would be made gradually as retirements occur and as the tenure system is addressed as a whole. If buyouts of tenured faculty were done, these would be one-time initial costs that could decrease the savings listed above. Also note that as it relates to reallocation of faculty, due to recent curriculum reviews by several seminaries courses are not all interchangeable. To ensure the seminaries have interchangeable courses would require an investment of time and formal agreements related to these courses (e.g., common requirements and/or interchangeable courses).

Illustrative Fiscal Impact					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
	<p>Estimated reduction/reallocation in faculty FTE: 50</p> <p><u>Assumptions:</u></p> <ul style="list-style-type: none"> <li>&gt; Required sharing of faculty through distance learning and other models</li> <li>&gt; Maximum utilization of faculty (i.e., all hired faculty will match specialization needs of students, new tenure approach, use of adjuncts)</li> <li>&gt; Minimum student FTE per course (i.e., introductory and non-introductory) of fifteen students</li> <li>&gt; Average faculty total compensation of \$88,000</li> </ul>	<p>reduction/reallocation in faculty FTE: 22 faculty</p> <p><u>Assumptions:</u></p> <ul style="list-style-type: none"> <li>&gt; Formal sharing of faculty in introductory, non-independent study courses through distance learning and other models across the system</li> <li>&gt; A minimum class size of 20 students; this is reflective of economies of scale gained through a coordinated approach to faculty hiring and sharing for introductory courses across six seminaries</li> <li>&gt; Impact could be greater if minimum course size for non-introductory courses is also assumed</li> <li>&gt; Average faculty total compensation of \$88,000</li> </ul>	<p>reduction/reallocation in faculty FTE: 17 faculty</p> <p><u>Assumptions:</u></p> <ul style="list-style-type: none"> <li>&gt; Formal sharing of faculty in introductory, non-independent study courses through distance learning and other models within and across regions</li> <li>&gt; A minimum class size of 15 students; the smaller class size as compared to Model B is reflective of lesser economies of scale gained when the coordination of faculty is done on a regional, versus system-wide, level</li> <li>&gt; Impact could be greater if minimum course size for non-introductory courses is assumed</li> <li>&gt; Average faculty total compensation of \$88,000</li> </ul>	<p>recently retired but instead collectively hire two faculty in this specialty (a net loss of four faculty) for the pilot project.</p> <p>Estimated potential savings: \$352,000 and potential to increase.</p> <p><u>Assumptions:</u></p> <ul style="list-style-type: none"> <li>&gt; Formal agreements to share faculty for specific initiatives and joint ventures</li> <li>&gt; Phasing out of the tenure process to allow the hiring of faculty for specific areas deemed important for the formation of leaders following the Church's vision</li> </ul>	<p>Model D, partnerships are likely to be much slower and would not be as targeted towards pilot projects with the potential funding available in Model D for such ventures.</p>
<b>Faculty Expenditures</b> (cont.)	<p><u>Considerations:</u></p> <p>Reducing the number of courses offered each year will result in balance of faculty to students, and therefore</p>	<p><u>Considerations:</u></p> <p>The above figures assume a minimum class size only for introductory courses as we recognize that some autonomy at the site level may not allow</p>	<p><u>Considerations:</u></p> <p>The above figures assume a minimum class size only for introductory courses as we recognize that the collaboration focused on a</p>	<p><u>Considerations:</u></p> <p>Such a joint venture enables joint collaboration for new projects without the risk of one seminary alone hiring three faculties in an experimental</p>	



Illustrative Fiscal Impact					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
	may impact the variety of courses offered. However, we assume that a new central approach to tenure and the use of non-tenured faculty could actually accommodate more variety (e.g., instead of one tenured faculty member teaching five courses per year in one specialty, several non-tenured faculty could be hired to teach five course in different specialties) in both type of course and possibly students served.	the same level of control over more niche courses that may be non-introductory.	regional level may not allow for the same cross-seminary sharing as Model A.	project area.	

Illustrative Fiscal Impact					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
<b>Overhead / Institutional Support Expenditures</b>	Estimated savings: \$3.4M  Assume only 1 FTE in central system for the following positions:	Estimated savings: \$2.7M  Assume only 1 FTE in a limited central system for the following positions:	Estimated savings: \$1.5M  Assume 1 FTE in each of the three regional systems for the following positions (i.e., a total of three of each of the	Joint ventures open up the possibility of one or more seminaries partnering for shared services in any of these areas. For example, if two seminaries who currently have	Some sharing exists, primarily with local partners.

Illustrative Fiscal Impact					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
	<ul style="list-style-type: none"> <li>&gt; President</li> <li>&gt; VP of Admissions</li> <li>&gt; VP of Advancement</li> <li>&gt; VP Finance</li> <li>&gt; Registrar</li> <li>&gt; Director of Communications/Marketing</li> <li>&gt; Library Director</li> <li>&gt; Director of IT</li> <li>&gt; Director of Operations</li> </ul> <p>Assume 1 FTE in central system at each seminary location for the following positions (i.e., six total FTE for each):</p> <ul style="list-style-type: none"> <li>&gt; Director of Admissions</li> <li>&gt; Controller/Business Office Coordinator</li> <li>&gt; IT Coordinator</li> <li>&gt; Facilities supervisor</li> <li>&gt; Head librarian</li> </ul> <p>Assume that current additional office support staff will remain the same.</p>	<ul style="list-style-type: none"> <li>&gt; VP of Admissions</li> <li>&gt; VP of Advancement</li> <li>&gt; VP Finance</li> <li>&gt; Registrar</li> <li>&gt; Director of Communications/Marketing</li> <li>&gt; Director Library</li> <li>&gt; Director of IT</li> <li>&gt; Director of Operations</li> </ul> <p>Assume 1 FTE in limited central system at each location (e.g., six positions):</p> <ul style="list-style-type: none"> <li>&gt; Director of Admissions</li> <li>&gt; Controller/Business Office Coordinator</li> <li>&gt; IT Coordinator</li> <li>&gt; Facilities supervisor</li> <li>&gt; Head librarian</li> </ul> <p>Assume that current additional office support staff will remain the same.</p>	<p>following positions):</p> <ul style="list-style-type: none"> <li>&gt; President</li> <li>&gt; VP of Admission</li> <li>&gt; VP of Advancement</li> <li>&gt; VP of Finance and Operations</li> <li>&gt; Registrar</li> <li>&gt; Director of Communications/Marketing</li> <li>&gt; Director Library</li> <li>&gt; Director of IT</li> </ul> <p>Assume 1 FTE at each seminary of the following (i.e., six FTE total):</p> <ul style="list-style-type: none"> <li>&gt; Director of Admissions</li> <li>&gt; Controller/Business Office Coordinator</li> <li>&gt; IT Coordinator</li> <li>&gt; Facilities supervisor</li> <li>&gt; Head librarian</li> </ul> <p>Assume that current additional office support staff will remain the same.</p>	<p>a Director of IT wanted to share a Director for oversight purposes while maintaining existing IT specialists at each site, this could save approximately \$87,600.</p>	

Illustrative Fiscal Impact					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
<b>Physical Assets</b>	<p>The free standing seminaries currently have an estimated 23% of unused space.<sup>21</sup> The estimated potential impact of these could be:</p> <ul style="list-style-type: none"> <li>&gt; Estimated rental income revenue \$4.1M</li> <li>&gt; Sale of physical assets \$25.4M</li> <li>&gt; Number of square feet available for redeployment for expanded or new mission use is 283,218</li> </ul>	<p>The free standing seminaries currently have an estimated 23% of unused space.<sup>2</sup> Assuming, for example, the sale, rental, or redeployment of 75% of unused physical assets the estimated potential impact of these could be:</p> <ul style="list-style-type: none"> <li>&gt; Estimated rental income revenue (75%) \$3M</li> <li>&gt; Sale of physical assets (75%) 19M</li> <li>&gt; Number of square feet available for redeployment for expanded or new mission use. (75%) 212,413</li> <li>&gt; Potential savings from decrease in plant and</li> </ul>	<p>All seminaries currently have an aggregate estimated 22% of unused space which equates to 322,953 square feet<sup>2</sup> at a value of \$33,716,085.</p> <ul style="list-style-type: none"> <li>&gt; Estimated rental income revenue (50%) \$2.3M</li> <li>&gt; Sale of physical assets (50%) 16.9M</li> <li>&gt; Number of square feet available for redeployment for expanded or new mission use. (50%) 161,476</li> </ul> <p><u>Considerations:</u></p> <p>Each seminary Board would</p>	<p>All seminaries currently have an aggregate estimated 22% of unused space which equates to 322,953 square feet valued at \$33,716,085 (including the embedded schools).</p> <p>This excess capacity could be redeployed for any number of joint ventures.<sup>22</sup> For example, if two seminaries on the East Coast had a joint venture pilot project related to urban ministry they could collaborate with a more urban seminary to use unused space for this pilot.</p>	<p>The seminaries have an estimated 22% of their space unused, which equates to 322,953 square feet. The total value of these is \$33,716,085.<sup>2</sup></p> <p>Currently, there have been discussions of selling some buildings and renting out space though often rental income is not market value.</p>

<sup>21</sup> Assumptions: Based on space utilization information provided by the six free standing seminaries, during core hours:

- > 49% of the classroom space is unused
- > 30% of housing capacity is unused
- > 11% of "other" space is unused
- > In aggregate, 23% of the total space is unused

<sup>22</sup> Assumptions: Based on space utilization information provided by all eight seminaries, during core hours:

- > 47% of the classroom space is unused
- > 27% of housing capacity is unused
- > 13% of "other" space is unused
- > In aggregate, 22% of the total space is unused

Illustrative Fiscal Impact					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
<b>Physical Assets</b> (cont.)	<p>&gt; Potential savings from decrease in plant and operations staff: \$437,000</p> <p><u>Considerations:</u>                      Plant and Maintenance Staffing Reduction</p> <p>Currently there are 44 Plant Operations and Maintenance FTE across the six free standing seminaries, including custodians, groundskeepers, housekeepers, and other operations staff. Their total benefits and salaries are \$1.9M. Assuming a 23% reduction in these expenses to right-size unused space to current student FTE, this would result in \$437,000 in savings.</p>	<p>operations staff: \$327,750</p> <p><u>Considerations:</u>                      Each seminary Board would determine whether to sell, rent, or redeploy space. For example, if failing schools were asked to merge, embed, or change mission this could increase the use of space. Seminaries could also collaborate to share space as need with a priority for inter-ELCA entity use of physical assets (i.e., colleges, non-profits, congregations).</p>	<p>determine whether to sell, rent, or redeploy space. With a VP of Finance and Operations for each region, regions can collaborate strategically on the future of their seminary campuses and potential satellite campuses. Aside from selling physical assets regions can reimagine the use for those assets collaboratively through new initiatives to further the mission of the Church, which also may create new potential revenue streams for existing assets. Additionally, inter-ELCA regional partnership for capacity sharing may increase.</p>		

Illustrative Fiscal Impact					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
<b>Eliminated Deferred Maintenance</b> <sup>13</sup>	Estimated decrease in deferred maintenance: \$6.5M to \$18.9M. <sup>23</sup>	Estimated decrease in deferred maintenance: \$0 to \$18.9M (assuming the highest range). <sup>24</sup>	All eight seminaries face large amounts of deferred maintenance. <sup>25</sup>	All eight seminaries face large amounts of deferred maintenance.	All eight seminaries face large amounts of deferred maintenance. <sup>5</sup>
	The elimination of deferred maintenance will largely be the result of decrease in physical	<u>Considerations:</u> Because each entity will still have its own Board in Model B	<u>Considerations:</u> Decreases in deferred maintenance would result from	<u>Considerations:</u> Deferred maintenance would decrease as a result of the	<u>Considerations:</u> > Current estimates of deferred

<sup>23</sup> Assumptions:

- > Deferred maintenance costs could be decreased by the sale of physical assets.
- > The current average deferred maintenance per FTE on each free standing seminary campus ranges from \$24,721 to \$36,667 per enrolled student FTE compared to a peer average of \$18,419.
- > If the free standing seminaries were collectively to right-size their deferred maintenance to a level similar to other ATS seminaries this would require a decrease in deferred maintenance (and therefore, in a sense, physical assets) of between 25% and 50%.

<sup>24</sup> Assumptions:

- > Deferred maintenance costs could be decreased by the sale of physical assets.
- > The current average deferred maintenance per FTE on each free standing seminary campus ranges from \$24,721 to \$36,667 per enrolled student FTE compared to a peer average of \$18,419.

<sup>25</sup> Assumptions:

- > Deferred maintenance costs could be decreased by the sale of physical assets.
- > The current average deferred maintenance per FTE on each free standing seminary campus ranges from \$24,721 to \$36,667 per enrolled student FTE compared to a peer average of \$18,419.

<sup>13</sup> Prior to 1988, this was funded through a churchwide capital campaign. Independently seminaries appear to not have been successful in raising the necessary capital to cover deferred maintenance.

Illustrative Fiscal Impact					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
<b>Eliminated Deferred Maintenance</b> (cont.)	assets.	it would be up to each Board and seminary whether buildings are sold to right size or rented out for other purposes. The central VP for Operations, however, could lead a strategic campus planning initiative to be implemented and approved at each seminary including the sale of buildings, renting of assets, and collaboration around the use of unused space for new initiatives.	the sale of physical assets as determined by regional boards.  On a regional level, each VP for Operations, however, could lead a strategic campus planning initiative to be implemented and approved at each seminary including the sale of buildings, renting of assets, and collaboration around the use of unused space for new initiatives.	sale of physical assets. However, through joint ventures seminaries could use underutilized spaces for new mission-focused, revenue-generating activities.	maintenance range from \$35.2M to \$50.9M collectively across the eight seminaries. > Though some seminaries rent unused space often the rent is not enough to cover maintenance costs; the sale of some unused buildings could help to marginally decrease these figures.

Risk and Problem Areas					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
<b>Mergers</b>	Full merger into one seminary is part of this model. A loss of autonomy by individual seminary boards and administrations occurs within this model.	The possibility of mergers may provoke concerns about possible loss of autonomy. Mergers suggested by the parent board will have difficult negotiations and implementation if any	Mergers are not necessarily implied by this model, depending on the way in which regions and institutions are set up. Alliances and mergers may be voluntary, and more likely if regional	Institutional independence is maintained in this model. Mergers and alliances are therefore among the options individual schools may pursue to achieve sustainability and	Institutional independence is maintained in this model. Mergers and alliances are therefore among the options individual

Risk and Problem Areas					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
	Schools with strong finances are less likely to see the need to merge into this model. Boards may resist the move to eliminate local control and identity.	potential partner is unwilling	collaborations had engendered productive programs and inter-institutional trust.	programmatic vitality.	schools may pursue to achieve sustainability and programmatic vitality.
<b>Seminary Curricula</b>	A curriculum revision that would permit sharing of faculty and establishing minimum course sizes would be likely. Elective offerings could be broadened through video conferencing and other methods. Unique courses and disciplinary perspectives could be maintained. Particular values infused in courses at particular locations would be supported.	Subsidiary boards would be responsible for curricula within guidelines promulgated by the parent board. Those parent-board guidelines would include faculty sharing. Curricular revisions enabling equivalence of credits would have to be developed.	Curricula would be developed in the regions. Regions with multiple teaching locations would determine if inter-institutional sharing of faculty and common curricular ground are warranted.	Joint ventures on new topics and methods of teaching may be developed and implemented by participants. Sharing of curricular revisions and successes can be continued and emphasized.	Each seminary, within ELCA guidelines, develops and implements its curricula.
<b>Community Identity</b>	Each school has its own ethos and, in the residential schools especially, its own ways of forming student intellect, character, and vocational commitment.	A change to a parent-subsidiary governance model does not imply a significant change to the ethos, formation, and internal values of a seminary, unless merger and relocation is	Part of the identity of the seminary may change as regional relationships are developed. These may also imply the inclusion of new members of the community.	No apparent change to the seminary's identity.	No apparent change to the seminary's identity.

Risk and Problem Areas					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
	Merger and relocation may change these student experiences.	indicated.			
<b>Cost/Investments</b>	The negotiations and implementation involved in mergers is lengthy and costly in time and money. In the long run resources may or may not be both concentrated and found to expand the mission of theological education.	1. The negotiations and implementation involved in mergers is lengthy and costly in time and money. In the long run resources may be both concentrated and found to expand the mission of theological education. 2. Two levels of boards may be duplicative, sluggish, and susceptible to inter-board conflict. Feasible that significant effort could be expended without the intended results.	The negotiations and implementation involved in moving to this model many be lengthy and costly in time and money. Regional collaboration without introducing additional costs or hierarchy can be challenging. Structure would need to honor standards of the broader network, while considering priorities of the region.	Special funding for collaborative initiatives and joint ventures would have to be sought or found. The scale of some of these collaborations may be small, however.	No new costs to the seminaries are envisioned.
<b>Financial risk</b>	Risk of losing donors, especially alumni/ae of schools that are relocated and/or merged. The merger may not come off if schools opt out, and that, therefore, savings are not realized.	Risk of losing donors, especially alumni/ae of schools that are relocated and/or merged.	If all funding is regional, new disparities in synod funding may emerge between the regions. While closer ties to a region may generate better relationships and, consequently, funding, the achievability of this assumption is uncertain.	A stronger network and more collaboration may not have a significant impact on sustainability. Current trends show financial fragility in some schools, with a likelihood of further deterioration. Joint venture and collaborative arrangements could break down over funding/fiscal issues if there is not a clear commitment to the project and a funding structure which	Current trends show financial fragility in some schools, with a likelihood of further deterioration. If trends continue or are exacerbated, the accreditation and current mission of the school may reach a crisis.



Risk and Problem Areas					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
				aligns to the common good.	
<b>Risks Relative to TEAC Outcomes of:</b>  <b>More Far Reaching,</b>  <b>More Flexible &amp; Connected</b>  <b>More Sustainable</b>	<p>A central approach to viewing and allocating resources should have the benefit of aligning resources in ways that allow for expansion of mission and geographic reach – the risk is in the ability to execute changes with a sense of urgency given size.</p> <p>A large, single system risks the inability to make decisions and move quickly; this may not be aligned with the goal of flexibility to react to market needs. Also, connectivity between initiatives and seminaries should be enhanced, yet connectivity at the local level may be compromised.</p> <p>The ability to gain economies, ensure common expectations around fiscal sustainability, and work</p>	<p>The ability to come together to eliminate duplicative resources, ensure availability of other resources, and reconfigure locations in a manner that is most mission driven and cost effective should have the benefit of enhancing presence and connectivity, while reducing costs.</p> <p>However, the ability to be flexible to seminary-based issues and to respond quickly to local needs may be negatively impacted by the need to go through a hierarchy or dual hierarchies to gain approvals or direction.</p> <p>Coming together to find a solution to the question of how to ensure quality leaders for the future of the Church may be enhanced through this model given that the best ideas from all can be considered; however, the level of bureaucracy in the ultimate framework could</p>	<p>The regional model offers benefits as it relates to being more flexible and far-reaching, yet most likely on a smaller more regional scale and with potentially disparate level of impact/result across the regions.</p> <p>Competition rather than collaboration may continue to exist between regions and ability to shift resources to emerging populations or geographies may be complicated.</p> <p>In terms of leadership sustainability, there are relevant and impactful concepts to build upon that can occur regionally, yet the impact of finding solutions and expending resources toward those solutions will continue to be duplicated in the regional model, and those regions that are not as strong fiscally may struggle to put efforts and resources toward the required experimentation.</p>	<p>Initiatives in which most or all of the seminaries come together for experimentation or joint venture will positively impact the ability to more strategically offer depth, type, and presence of program, and will also positively impact the connectively for the network.</p> <p>The risk is in that the option of voluntarily coming together may continue a mindset of “it is better for each of us to go <i>this alone</i>” rather than be hampered by group think or complex hierarchies.</p> <p>At the same time, another risk to this model is that given that resources are not required to be combined or offered, those who are apt to want to be collaborative may consistently incur expense and expended effort on behalf of those who do not participate. The funding/financing piece for this model is uncertain and could be unduly complicated.</p>	<p>While progress toward TEAC’s goals may be feasible in the current model, it is unknown whether individual seminary efforts will have the impacts required especially as it relates to being more far reaching from a national perspective, being sustainable fiscally, and being flexible as it relates to faculty sharing.</p>

Risk and Problem Areas					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
<p><b>Risks Relative to TEAC Outcomes of:</b></p> <p><b>More Far Reaching,</b></p> <p><b>More Flexible &amp; Connected</b></p> <p>(cont.)</p>	<p>to strategically develop a framework for future church leader development will be a positive; the risk is not coming to consensus and having unduly bureaucratic approaches to achieving this.</p> <p>Poor investment markets and decisions are a further risk.</p> <p>And the ultimate risk is potential further sharp decline in applicants, which dependent on the level of decline no economies of scale or collaboration may be able to overcome.</p>	<p>harm progress to move forward if not carefully designed.</p> <p>Major risk inefficiencies created if there is destructive conflict between the parent and subsidiary boards.</p> <p>Poor investment markets and decisions are a further risk.</p> <p>And the ultimate risk is potential further sharp decline in applicants, which dependent on the level of decline no economies of scale or collaboration may be able to overcome.</p>			

Regardless of which model is chosen, the following offer considerable opportunity and highest impact in leveraging the power of collaboration across the ELCA:

High Impact Leverage Points					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
<b>Faculty Specialization</b>	Faculty is hired with the specific mission and program needs in mind.	The central system coordinates the joint hiring of faculty across locations where common specializations are needed.	Hiring of faculty to meet regional needs is coordinated by the governing body in the region to make use of overlapping needs in specialization.	Partnerships to share faculty where there is interest in common specializations.	As faculty retirements occur, some seminaries share faculty ad hoc where they need specializations.
<b>Mission Leadership Development</b>	A strategic approach can be developed and executed centrally related to an overarching strategy for leadership development.	A shared vision for the leadership needs of the Church and how to meet those can be developed centrally, but the implementation and exaction of the approach would be done at each location.	Each region could dictate their focus on leadership formation and collaborate to achieve this.	Seminaries can partner to address the changing leadership needs of the Church; the experiment incubator could help to facilitate this creative thinking and partnership.	Each seminary has its own interpretation of leadership formation and is addressing this individually.
<b>Experiment Incubator</b>	Central experiment incubator/think tank model funded by whole system to collaborative and create new initiatives.	Central experiment incubator/think tank model funded collectively by seminaries; ideas are implemented by each location.	Central incubator would facilitate collaboration on both a regional level, and national level.	Incubator would be central to forging partnerships.	None exists; experimentation is largely done individually by seminaries.

High Impact Leverage Points					
	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
<b>Shared Vocational Discernment /Leverage Point for all ELCA Programs<sup>26</sup></b>	One strategic approach to connecting with youth (e.g., YAGM, LVC, camp counselors)	One strategic vision for to connecting with youth (e.g., YAGM, LVC, camp counselors) executed by each seminary location.	One strategic approach to connecting with youth (e.g., YAGM, LVC, camp counselors) but executed regionally based on the needs of the region.	Emphasis on partnerships to creatively address connections with youth for vocational discernment process.	Individual seminary approach to connecting with youth; limited due to funding constraints and competition between seminaries.

<sup>26</sup> It is important to note that there is still work that needs to be done by the Church and seminaries in discovering how to connect to potential future leaders. There is no easy answer; this report does not assume that answers have already been reached.

## VI. Summary/Call to Action

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This assessment by Baker Tilly is just one piece of a much broader discussion and effort necessary to ensure the ELCA has leaders that meet the needs of the Church of the future, maintains cultural relevance, and is part of a broader effort to ensure the sustainability of theological education from both mission and fiscal perspectives. Given the adaptive challenges<sup>27</sup> facing all churches in the United States (e.g., shrinking numbers of those aligning themselves with organized religion) and the significant decline and shift in the religious commitment and expectations of a changing demographic (e.g., younger, multi-cultural), it is critical that ELCA leadership – the collective leaders of the Church including synod leaders, churchwide administrators, lay leaders, and seminary CEOs and board members - challenge themselves to rethink the ways in which the Church connects to, and fulfills its mission within communities and prepares culturally-savvy leaders.

The keys to sustainability are directly linked to answering questions such as:

- > How do we create relevant and compelling relationships with the Church and define “worship” in a way that more broadly fulfills the mission and meets individual member needs?
- > What is required to develop long-term, meaningful relationships?
- > How do we engage our members based on their needs and expectations?
- > How do we best form leaders who can fulfill the Church’s mission in ways that are sustainable, flexible, and nimble to meet changing expectations?
- > How do we support our current congregational leaders (lay and rostered) through relevant and accessible continuing education from the best minds in congregational leadership and in mission and daily life?

The key to answering these questions is the authority to: innovate through new approaches; foster experiments and pilot programs; and learn from others through research and intentional sharing. As important is the latitude and fiscal ability to fail in order to determine the best answer. Unfortunately, the capacity to experiment is not feasible when resources are scarce or committed to the preservation of existing assets. Such is the case with the ELCA seminaries.

The current negative fiscal picture (i.e., structural operating deficits, considerable deferred maintenance, and capital renewal burdens, all of which exist for most seminaries) is the direct result of a 39 percent decrease in full time equivalent students since 2005, and legacy assets being committed neither in ways that are cost effective nor in alignment with changing market needs and strategic priorities. The continuation of this hampered financial situation will prevent the ELCA from having the resources required to adequately attend to mission sustainability in an innovative and forward looking manner. With every day that passes, ELCA funds are being expended that could be directed

<sup>27</sup> The term “adaptive change” as discussed by Ronald A. Heifetz, *Leadership Without Easy Answers*, Belknap Press of Harvard University Press, Cambridge MA, 1994.

toward more value added initiatives aimed at solving the problem of how to ensure the sustainability of ELCA theological education, and assist to solve the broader mission challenges of the Church.

There are currently gaps in meeting needs relative to candidacy, student scholarship funding, emerging populations, and geographic presence among other things. Unfortunately, these issues are not easy to solve, nor is there a considerable amount of time to make the required changes.

The collective ELCA has to decide how a more coordinated approach to developing church leaders will occur in order to render ELCA theological education truly sustainable in every aspect. It is possible that each seminary continuing to try to “right the financial ship” individually will have the required results; however, the most likely scenario is that short of a disruptive change (i.e., change that assures the effective balancing of resources and revenues to meet emerging and ever changing needs), many of the schools will survive in the short term based on non-recurring large donations, yet will not be financially solvent for the long-term. Those who say this model has survived past economic downturns and fiscal deficits must remember that the “X” factor this time is that labor costs are only going to continue to increase, while the availability of students for enrollment will continue to decline if a new approach is not taken. Based on this urgency, transformative change is necessary to realize results of those efforts before the seminaries are no longer financially viable.

Additionally, by working together to determine a more relevant and sustainable model of theological education, the funds “saved” can work beyond ensuring financial sustainability of seminaries to also release committed funds for investment in experiments and new approaches. By improving individual seminaries’ fiscal positions and repurposing surplus funds toward innovation, it is also likely that the ELCA as a whole will be able to attract new donors or foundation investments.

In order to address the challenges outlined above, specific questions that TEAC must answer include:

1. What specific actions must be taken prior to the November Church meeting to ensure that transformation occurs in a manner that is timely? What is realistic to accomplish between now and then given other priorities and initiatives?
2. Given theological education’s direct impact on achievement of the broader church mission, is it necessary for the ELCA to appoint an oversight body that continues to monitor all theological education functions and assumes a role as facilitator of collaboration? If so, how does that body’s formation need to be reflected in the action steps?
3. To assure that any initiated taskforces and work groups are representative, yet not so large they become inefficient, what specific expectations relative to their formation and functioning need to be explicitly outlined?
4. How does TEAC work with the Church Council and individual seminary boards to ensure objective and realistic oversight of each seminary’s fiscal situation and appropriate focus on mission-critical allocation of resources?

5. What role does the current ELCA governance structure (e.g., Church Council, Conference of Bishops) play relative to each of these action steps?

As such, we recommend that ELCA leadership demand an urgent and collaborative approach to identifying key changes and modifications required for the approach to, and fiscal priorities of, the ELCA Theological Education Model. Specifically, the following next steps for ELCA leadership are critical to reaching an impactful and sustainable future.

### Required ELCA Leadership Action Steps

No.	Owner	Activity	Outcome	Timeline
1	TEAC	Invite discussion of Baker Tilly report by Seminary Board Chairs. Seek short-term action plan(s) from each seminary for moving forward in a fiscally sustainable manner.	Recommendation from Seminary Boards on short-term actions (12-18 months) to be taken by their institution to the November 2015 Church Council meeting.	Discussion by Seminary Boards: Late August – upon receipt of final Baker Tilly report  Action Plan: Prior to November 2015 Church Council Meeting
2	TEAC	Identify readiness champions <sup>28</sup> to work through entire process and work proactively toward value-added and successful modifications.	Advisory group of champions to be the “voice of reality” throughout the transformation.	September
3	TEAC/Seminary CEOs	Outline key <b>impact points</b> <sup>29</sup> and <b>required outcomes</b> relative to mission impact and leadership formation – what needs to change?	Focused agreement of what needs to change – for presentation to Church Council.	August - September
4	TEAC/Seminary CEOs	For each <b>impact point</b> – research what others within and outside the ELCA are currently doing relative to this impact point with a	Prioritized listing of impact points.	September-October

<sup>28</sup> Readiness champions are individuals at all levels within the involved organizations that are serving as advocates for transformation, driving change locally, and facilitating a proactive, two-way dialogue that provides feedback to ELCA leaders about barriers which may impede effective change.

<sup>29</sup> **Impact points** are variables or conditions that must be present in order for the ELCA to fulfill its mission and ensure effective future church leadership. In other words, what will be most impactful to the future of the Church (e.g., innovation in worship and lay education, financial leadership, reaching emerging populations)?

No.	Owner	Activity	Outcome	Timeline
		focus on <b>required outcomes</b> . <sup>30</sup>		
5	TEAC/Seminary CEOs	Develop working groups (using an accelerated improvement process model <sup>31</sup> ) to address each impact point with the specific expectation that priority focus areas will be defined.	Define specific initiatives or experiments to be funded and identify the priority sequencing of these experiments/initiatives based on anticipated outcomes.	September-October
6	TEAC/ Congregational Leaders/Synods and Seminary Academic Leaders	Identify critical needs relative to lifelong learning for lay leaders and continuing education for rostered leaders.	Provide input to a working group focused on lay and continuing education as a means to broaden the value of ELCA membership through direct engagement in the “call” for more global and impactful “work of the Church.”	September - October
7	TEAC or New Oversight Body	Identify potential introduction and/or reallocation of some funds (e.g., churchwide, grants, donor based) toward experiments or initiatives ( <b>high impact projects</b> <sup>32</sup> ).	Determine specific allocations and timeframe for each high impact project.	Post November 2015 Church Council meeting
8	Seminary CEOs	Research on joint sharing and reassignment of faculty toward high impact projects.	Report to Church Council on potential impact of realignments and requests for additional funding of staff for involvement in experiments.	September – October – for preliminary recommendations at November 2015 Church Council meeting
9	TEAC/Seminary	Develop an initial theological education	Accountability to move forward with	September – October – for

<sup>30</sup> **Required outcomes** are the results that are being sought through addressing the impact points (e.g., increased membership, active membership, expanded global mission giving or involvement).

<sup>31</sup> **Accelerated process improvement** is a process used to identify and recommend potential transformative efforts or process changes in a concentrated and condensed timeframe (no more than ten to twelve weeks).

<sup>32</sup> **High impact projects** are defined as those experiments, initiatives, or pilots that have the potential for the most significant impact on required outcomes.



No.	Owner	Activity	Outcome	Timeline
	<b>CEOs</b>	transformation plan with key milestones and report outs to all stakeholder groups and plan to report to governance body.	impactful changes, programs, and approaches.	preliminary recommendations at November 2015 Church Council meeting
10	<b>ELCA Churchwide Staff and Seminary CFOs</b>	Identify mechanisms and reports to ensure transparency relative to finances, resource outlays, and educational outputs for Boards, Church Council, and Synods.	Ability of seminary and other Church leaders to objectively assess fiscal realities/needs, carryout fiscal governance responsibilities and set accountabilities, or reallocate resources, as needed.	Prior to Spring 2016 Church Council meeting
11	<b>Seminary Boards and ELCA</b>	Determine governance body structure and membership for these initiatives.	Accountability to move forward with impactful changes, programs and approaches.	Post November 2015 Church Council meeting
12	<b>ELCA Churchwide Organization Seminary CEOs</b>	Set framework/timeframe for experiments, results reporting, and ultimate recommendations relative to required changes.	Status and Final reports to Seminary Boards, Synods, and ELCA Churchwide relative to recommendations for model and approach change and required funding.	Prior to the 2016 Churchwide Assembly meeting

Two points of important clarification relative to the required action steps:

1. **The selection of impact points will be critical to ensure meaningful change** based on the findings and conclusions of this assessment. See the below summary of impact point themes for a comprehensive list of those articulated by constituents throughout this assessment.

Area	Description
<b>Mission Impact</b>	
Leadership Formation/Development	Collaboration on leadership formation from the perspective of honoring the “distinctives” of various campuses (e.g., urban ministry, financial leadership acumen, interfaith leadership), as

Area	Description
	well as a jointly identifying and implementing best approaches to preparing the Church leader of the future.
Experimentation Incubator – Emerging Populations	The ability to work and experiment jointly to identify the best ways to serve emerging populations and to ensure adequate and intentional presence geographically.
Experimentation Incubator – Shared Vocational Discernment	The ability to combine resources and thinking about the most effective and impactful approaches to identifying, mentoring and guiding those discerning vocation.
Faculty Specialization Sharing	Widespread agreement of the need to “rethink” how to ensure faculty specializations are optimized and available for <u>all</u> students.
Lay & Continuing Education Platforms and Offerings	Specific emphasis on the need to create education offerings in this area which are accessible, relevant, and impactful in guiding ELCA leaders of all types.
Multi-Vocational Program Development	Recognition that, in the context of the changing church, preparing leaders for a “call” relative to service may look very different in the future. How can nontraditional ways of serving the Church be highlighted and related programs or partners included in leadership formation?
<b>Resource Impact</b>	
Physical Assets/Location Sharing & Reconfiguration	Action relative to the overleveraged physical asset situation of entities involved in ELCA theological education. This warrants a considerable amount of action relative to balancing the costs with the revenue or mission impacts received. Across all campuses, either assets need to be reduced, or new mission and revenue impacts realized to maintain current assets.

Area	Description
Business Technology & Technology Related Academic Support (DL Platform, flexible cohorts)	Rapid adoption of advanced technology approaches to share academic and administrative resources, offering educational programming that is relevant and accessible, and encouraging more widespread sharing of effective practices will be critical to both fiscal and mission sustainability. Presence in new geographies through satellite or shared locations will rely on a reliable and consistently utilized DL platform.
Financial Oversight & Reporting	Transparency and accountabilities will be required to ensure that fiscal resources align with critical mission actions.
Fiscal Operations (e.g., student billing, reporting, accounting, accounts payable)	The ability to share expertise and reduce overall resources for non-mission based operations will be critical to addressing student debt, affordability, and fiscal sustainability issues.
Shared Vocational Branding, Recruitment and Admission Strategy and Supports	More effective “marketing” of the ELCA and mission-related vocations and engagement from all facets of “the Church.”
Student Services Supports (Administration, Financial Aid, Admissions, Records, IT)	Interest in collaborating on certain aspects of student services and supports in a manner that reduces administrative duplication, yet honors the ability to attract and retain students from a “best fit” perspective.

2. Financial transparency and a strategic approach to assisting all involved in making effective decisions regarding allocation of resources towards the highest impact on mission are vital to achieving overall sustainability. This information is critical for both planning and accountability purposes. There are several options for enhancing current financial transparency efforts (e.g., the ELCA Comparative Financial Audit). Specific financial metrics which need additional focus to address the most critical fiscal sustainability issues include:

- > Expenditures and revenues per student FTE
- > Structural deficits
- > Effective spending rates
- > Student debt
- > Physical assets – underutilized capacity, deferred maintenance
- > Student/faculty and student/staff FTE ratios

See Appendix A for a more detailed explanation of what is required for enhanced transparency in theological education financial reporting.

The need for sustainability and the need to express in new ways the Church's educational outreach led to the analyses in this Baker Tilly report. As important as the completion of this final report may be, the iterative dialogue which occurred between church leaders throughout the assessment has been crucial. We continue to be impressed by the thoughtful conversations and continued passion toward fulfilling the Church's mission indefinitely exhibited by those involved in this project.

If ever there was a time which demanded broad altruism and unbiased assessment from, and reflection by, the ELCA – it is now. The potential lies in moving forward together and quickly.

## Appendix A: Financial Transparency

It is critical that the ELCA seminaries have an ongoing mechanism for ensuring transparency across key financial and other metrics. Such transparency makes it easier to monitor the financial health of the seminaries on an ongoing basis, allows easier assessment for potential collaboration opportunities (e.g., shared IT resource and potential savings, shared faculty for a specific specialization), and allows comparisons with industry leading averages and benchmarks. The ability to quickly and accurately garner such information is critical to making effective decisions regarding allocation of resources towards the highest impact on mission.

Current inconsistencies in how each seminary accounts for, and allocates, revenues and expenditures make the comparison of ELCA seminary data challenging. The National Association of College and University Business Officers (NACUBO) has guidelines for how higher education institutions should classify expenses (e.g., institutional support, auxiliary, student services); however, the seminaries are not consistently applying these standards. For example, the six free standing seminaries currently allocate the registrar's salary to one of three different expense categories: student services, academic support, or instructional support. This makes a comparison of FTE per student in each category, or salary expenditures per student in each category, inaccurate between the seminaries and challenges the ability to compare to industry leading practices inaccurate.

Below are some of the key metrics which we would recommend the seminaries consider moving forward and some of the current challenges in comparing and calculating this data.

Metric	Current Practice	Challenge	Potential Recommendation
Structural deficits	The seminaries are not consistent in whether they include one-time-only revenue transactions (e.g., sale of building or bequests).	The inclusion of one-time transactions or estimated bequests does not provide an accurate picture of a seminary's underlying financial sustainability. If seminaries include different things in the calculation of structural deficit this also makes those figures incomparable.	Seminary CFOs should determine clear guidelines for comparing structural deficits (i.e., what to include and exclude) and what else is important to consider relative to financial viability (e.g., bequests, deferred maintenance estimates).
Percentage draw on endowment	The seminaries use different formulae to determine their draws on endowment, including different draw rates. Seminaries may also	The seminaries' investment draw should be computed using the same formula across the eight seminaries in order to have comparative results. Moreover, the	Seminary CFOs should agree on clear guidelines for the calculation of percentage draw on endowment that is reflective of actual use of endowment for a given

Metric	Current Practice	Challenge	Potential Recommendation
	vary their spending rates year to year with emergency draws and other irregular withdrawals.	operating results should be measured against the common standard of a five percent draw.	fiscal year. For example, computing the draw rate as a percentage of financial assets which would exclude housing.
Student debt	The Director of Seminaries collects this data from each seminary.	The average debt levels of graduates in some cases are too high to be considered sustainable on first call compensation.	Continue to experiment with ways of structuring distributed learning, internships, and financial education for students. Consistently assess and take action relative to measures of excessive student debt.
Investment return	This data is not currently calculated in order to compare the seminaries.	A twofold challenge: first, showing the comparative total return on each school's investment portfolio before withdrawals. Second, noting and comparing the size and scale of additions and withdrawals from each portfolio over time.	This could be shown on a net basis – long term investments this year versus last year, including all additions, withdrawals, gains, and losses. This would show school trustees the long term growth or decline of their crucial financial assets.
Staff and faculty FTE	There are inconsistencies in how seminaries account for different faculty types (e.g., adjunct, full time) when calculating FTE. This is also true when faculty have different administrative positions within the seminary for which their workload is decreased (i.e., Dean, librarian, President).	Salaries and FTE are not consistently allocated because of differences in how seminaries count faculty FTE and account for faculty having administrative positions. This results in inaccurate metrics that use this data, for example, total faculty FTE per student FTE, and total faculty cost per student FTE.	The seminary CFOs and Deans should collaborate to determine how to account for faculty FTE (e.g., adjunct, full-time, faculty with part-time administrative positions) in a way that reflects the true resources being used in teaching and other academic areas.
Deferred maintenance	Each seminary has a different method for calculating deferred maintenance; some seminaries' estimates are based on formal campus assessments, while others include all	The differences in deferred maintenance estimates makes it challenging to understand what types of large maintenance expenditures are actually facing the seminaries in the short-term and the	The seminary CFOs should agree upon what should be included in deferred maintenance estimates. They should consider estimates in intervals of time to consider short versus

Metric	Current Practice	Challenge	Potential Recommendation
	<p>large upcoming estimated maintenance projects.</p>	<p>long-term. For example, the deferred maintenance estimates the seminaries provided BT compared to those provided to ATS varied by 45% overall (i.e., a range of \$35.2M to 50.9M).</p>	<p>long term needs.</p>
<p>Revenues and expenditures per student FTE</p>	<p>Revenues and expenditures are not consistently categorized using the NACUBO expense classification guidelines. Costs are also allocated differently depending on the seminary. For example:</p> <ul style="list-style-type: none"> <li>&gt; Overhead: some seminaries allocate overhead to each department while others do not</li> <li>&gt; Depreciation: some seminaries allocate depreciation by department, others do not</li> <li>&gt; Technology: some seminaries keep this as one lump sum on the GL, some allocate the technology cost by department</li> <li>&gt; Salaries: some seminaries allocate salaries by department, while others keep it as one lump sum on the GL</li> </ul>	<p>Because seminaries allocate costs very differently, it is challenging to compare the cost per student FTE by department (e.g., registrar, admissions). General expenses are not consistently classified following the NACUBO classification guidelines, so comparability of overall expense category costs per student is inaccurate</p>	<p>Seminary CFOs should determine how the allocation of costs and accounting of costs can be standardized among the seminaries to provide the most accurate picture of true costs so that expense comparisons can be easily made between the seminaries, and with industry leading practices.</p>

The metrics listed above are not all included in a traditional financial audit and cannot be audited in the same way that financial statements are annually audited. However, similar to institutional data reporting, clear guidelines and definition for different metrics (e.g., deferred maintenance) will provide critical comparability of information. As part of any fiscal transparency effort the seminary Presidents and CFOs should determine the best way to display and share this information; for example, a colored dashboard could visually depict financial position, or a format similar to the TEAC ELCA Seminary

Scorecard could be used. Such a document should not be limited to traditional financial ratios but should also include both qualitative and quantitative information relative to the metrics listed above.

Below is an example of the TEAC ELCA Seminary Scorecard:

<i>Evangelical Lutheran Church in America</i> <b>Theological Seminary Scorecard, 2014</b>									<i>Seminary ~ Luther</i>	
<i>Source: Baker/Tilly Audited Financials</i>		<i>Program FY</i>								
<b>Financial Ratio</b>	<b>Definition</b>	09	10	11	12	13	14*	<b>Standard</b>	<b>Positive/ Negative/ Neutral Rating</b>	
<b>No. 1 - Primary Reserve &amp; Secondary Reserve Ratio</b>	Primary Reserve ratio indicates the strength and flexibility of the seminary by indicating how long it could operate using its expendable reserves without relying on additional net assets generated by operations.	(.032)	.154	.505	(.029)	.048		A ratio of .40x or better is an advisable reserve to give seminaries the flexibility to transform the enterprise. This financial flexibility would provide the ability to cover 5 months of expenses without replenishment. <b>2012:</b> H - 2.029 M - 0.231 L - (.405)	<b>Negative,</b> slightly below average results 4 of 5 years. Four of five results are below industry standard.	
	Secondary Reserve ratio provides an assessment of the significance of permanently restricted or nonexpendable net assets in relation to operating size.	2.925	3.20	3.15	2.63	3.07		The higher the value of this ratio, the more favorable the seminary's financial condition. Nonexpendable net assets should increase at a faster rate than operating size. <b>2012:</b> H - 4.898 M - 3.379 L - 2.480	<b>Neutral.</b> below average results 5 of 5 years.	



## Appendix B: Seminary Visit Observations

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### Examples of existing institutional initiatives to address financial and educational challenges (strengths):

1. The presence within individual seminaries and in limited cases between seminaries of broad and intentional experimentation with program emphasis areas that align with the needs articulated in candidacy, of local congregations, and in meeting overall theological education demands (e.g., sequencing of internships and use of distributed learning [DL] decreases student debt and increases time spent in context – to define the most effective model or approach). All seminaries have redesigned their curriculum in an attempt to meet: the needs and changing expectations of church leaders (e.g., to form leaders taking into account culture and context), the shift in types of students (e.g., non-traditional students, rural leaders), and the call to reduce student debt.
2. Advancement and capital campaign planning is intentionally being positioned to address structural deficits, deferred maintenance challenges and plans are in place in many cases to monetize or exploit campus physical assets. In a few cases, advancement is focused on growth initiatives but this is not present across all seminaries given their fiscal position.
3. The presence of expanded partnerships with other institutions (e.g., embedding with Lutheran Universities, sharing academic programs and administrative services with locally situated liberal arts colleges or other seminaries, aligning continuing education programming with not for profit or other seminaries in the geographic location).
4. Limited sharing of faculty from the individual school perspective to address temporary absences or specialized skill set needs. Seminaries are thinking more strategically about faculty specializations and as faculty retire, are hiring strategically to meet the demand for certain specializations.
5. Collectively, seminaries are addressing physical asset misalignment (e.g., gap in assets to level of need for physical space) by repurposing the space, renting it to other entities, or developing programs that would increase the utilization of the space. The level of assets owned, however, far exceeds the level needed or recommended and the current solutions do not entirely close the gap
  - a. Not all of these initiatives are recouping the total cost of maintaining these assets.
  - b. Limited cost/benefit analysis in terms of market value versus ongoing maintenance liability.
  - c. In many cases space is rented to nonprofits that do not have the ability to pay but do have programs aligned with community based ministries (mission).

## Appendix C: Budget Surplus/Deficit Detail

Seminary	Projected Surplus/Deficit FY 2015 (including depreciation)	Projected Surplus/Deficit FY 2015 (excluding depreciation)
Chicago	(\$238,000)	\$458,000
Gettysburg	(\$90,270)	\$334,731
Luther	(\$1,400,000)	(\$118,000)
Pacific	(\$250,000)	(\$125,000)
Philadelphia	(\$1,800,000)	(\$700,000)
Southern	(\$1,265,322)	(\$159,000)
Trinity	(\$812,000)	(\$312,000)
Wartburg	(\$225,000)	\$150,000
<b>TOTAL</b>	<b>(\$6,080,592)</b>	<b>(\$471,269)</b>

## Appendix D: Deferred Maintenance Detail

Seminary	Fall 2014 Estimated Deferred Maintenance (High)	Fall 2014 Estimated Deferred Maintenance (Low)
LSTC	\$19,500,000	\$15,236,000
Gettysburg	\$1,750,000	\$250,000
LTSP	\$3,500,000	\$1,000,000
Southern	\$4,725,276	\$3,000,000
PLTS	\$8,200,000	\$6,600,000
Trinity	\$1,200,000	\$100,000
Wartburg	\$2,000,000	\$1,000,000
Luther	\$10,000,000	\$8,000,000
<b>Total</b>	<b>\$50,875,276</b>	<b>\$35,186,000</b>
<b>Total (excluding embedded)</b>	<b>\$37,950,000</b>	<b>\$25,586,000</b>

Fall 2014 Estimated Deferred Maintenance	All	Excluding embedded
Average High per Student	\$44,745	\$36,667
Average Low per Student	\$30,946	\$24,721
Peer Average Deferred Maintenance Expense per Student	\$18,419	\$18,419

<b>Estimated Change in Deferred Maintenance with Sale of Physical Assets (Including Embedded)</b>			
	Percent	ATS Amount	Decrease
<b>Decrease in deferred maintenance (High)</b>	-59%	\$20,942,403	\$29,932,873
<b>Decrease in deferred maintenance (Low)</b>	-40%	\$20,942,403	\$14,243,597
Deferred maintenance to get per FTE in line with ATS		\$20,942,403	

<b>Estimated Change in Deferred Maintenance with Sale of Physical Assets (Excluding Embedded)</b>			
	Percent	ATS Amount	Decrease
<b>Decrease in deferred maintenance (High)</b>	-50%	\$19,063,665	\$18,886,335
<b>Decrease in deferred maintenance (Low)</b>	-25%	\$19,063,665	\$ 6,522,335
Deferred maintenance to get per FTE in line with ATS		\$19,063,665	

## Appendix E: Physical Capacity & Available Assets Detail

Seminaries	Approximate Current Square Footage	Percent of Available Capacity Used (During Core Hours):	Percent of Available Capacity Used (After Core Hours):	Unused Square Feet - Core Hours	Unused Square Feet - After Hours	TOTAL Potential Rental Income - Core Hours	TOTAL Potential Sale Revenue - Core Hours
<b>Gettysburg</b>							
Classroom space	18,206	19%	5%	14,707	17,296	\$ -	\$ -
Student Housing	71,969	96%	60%	3,023	28,788	\$57,900	\$232,000
Faculty Housing	15,076	100%	100%	-	-	\$ -	\$ -
Other	79,122	100%	50%	-	39,561	\$ -	\$ -
<b>Total</b>	<b>184,373</b>			<b>17,730</b>	<b>85,644</b>	<b>\$57,900</b>	<b>\$232,000</b>
<b>Chicago</b>							
Classroom space	5,200	75%	25%	1,300	3,900	\$25,350	\$325,000
Housing	122,881	88%	98%	15,237	3,072	\$59,904	\$768,000
Other	62,200	86%	91%	10,800	5,400	\$105,300	\$1,350,000
<b>Total</b>	<b>190,281</b>			<b>27,337</b>	<b>12,372</b>	<b>\$190,554</b>	<b>\$2,443,000</b>
<b>Luther</b>							
Classrooms	15,324	25%	13%	11,499	13,356	\$195,477	\$103,488
Housing (dorms & apts.)	48,061	6%	N/A	45,017	45,017	\$765,291	\$405,154

Seminaries	Approximate Current Square Footage	Percent of Available Capacity Used (During Core Hours):	Percent of Available Capacity Used (After Core Hours):	Unused Square Feet - Core Hours	Unused Square Feet - After Hours	TOTAL Potential Rental Income - Core Hours	TOTAL Potential Sale Revenue - Core Hours
Housing (Seminary-owned houses)	33,420	56%	N/A	14,621	14,621	\$248,561	\$131,591
Other (incl. common area in academic buildings)	193,415	92%	N/A	15,537	15,537	\$264,134	\$139,836
<b>Total</b>	<b>290,220</b>			<b>86,674</b>	<b>88,532</b>	<b>\$1,473,464</b>	<b>\$780,069</b>
<b>Pacific</b>							
Classroom space	3,485	50%	10%	1,743	3,137	\$44,120	\$1,402,713
Housing	43,058	75%	75%	10,765	10,765	\$272,557	\$3,530,756
Other	12,397	90%	25%	1,240	9,298	\$ 31,389	\$997,959
<b>Total</b>	<b>58,940</b>			<b>13,747</b>	<b>23,199</b>	<b>\$348,066</b>	<b>5,931,427</b>
<b>Philadelphia</b>							
Classroom space	30,000	30%	30%	21,000	21,000	\$840,000	\$8,400,000
Housing	80,000	70%	70%	24,000	24,000	\$240,000	\$4,440,000
Other	35,000	25%	25%	26,250	26,250	\$472,500	\$7,875,000
<b>Total</b>	<b>145,000</b>			<b>71,250</b>	<b>71,250</b>	<b>\$1,552,500</b>	<b>\$20,715,000</b>

Seminaries	Approximate Current Square Footage	Percent of Available Capacity Used (During Core Hours):	Percent of Available Capacity Used (After Core Hours):	Unused Square Feet - Core Hours	Unused Square Feet - After Hours	TOTAL Potential Rental Income - Core Hours	TOTAL Potential Sale Revenue - Core Hours
<b>Southern</b>							
Classroom space	11,310	71%	65%	3,280	3,959	\$31,487	\$301,751
Housing	97,320	90%	90%	9,732	9,732	\$ 93,427	\$895,344
Other	43,255	70%	10%	12,977	38,930	\$124,574	\$1,193,838
<b>Total</b>	<b>151,885</b>			<b>25,988</b>	<b>52,620</b>	<b>\$249,489</b>	<b>\$2,390,933</b>
<b>Trinity</b>							
Classroom space	34,375	85%	35%	5,156	22,344	\$64,453	\$ -
Housing	87,404	50%	50%	43,702	43,702	\$546,275	\$1,223,656
Other	121,293	97%	10%	3,639	109,164	\$45,485	\$ -
<b>Total</b>	<b>243,072</b>			<b>52,497</b>	<b>175,209</b>	<b>\$656,213</b>	<b>\$1,223,656</b>
<b>Wartburg</b>							
Classroom space	10,000	80%	2%	2,000	9,800	\$ -	\$ -
Housing	87,730	80%	80%	17,546	17,546	\$108,000	\$ -
Other	81,840	90%	2%	8,184	80,203	\$18,000	\$ -
<b>Total</b>	<b>179,570</b>			<b>27,730</b>	<b>107,549</b>	<b>\$126,000</b>	<b>\$ -</b>

## Appendix F: Space Utilization Assumptions

Seminary	Contact/Source	Assumptions - Rental Income	Assumptions - Sale Revenue
Gettysburg	Jenn Byers; John Spangler	Potential monthly rental income was provided for 7 apartment units that were not rented, out of the 110 housing units on campus. Calculated on an annual basis.	Sale value is based on an appraisal for one condo with 3 units. The apartments are part of multiple housing dwellings and therefore cannot be sold.
Chicago	Bob Berridge	LSTC currently rents out space to other NFP institutions at a rate of \$15.95 per square foot. However, other seminaries and higher education institutions are getting \$17-22 per square foot for similar space, so an average of \$19.50 was used in our calculation as a more representative figure of market value.	Sale of property is estimated at \$200-300 per square foot. An average of \$250 was used in our calculation.
Luther	Michael Morrow	Gross rental value (including maintenance and utilities) is about \$16-18 per square foot. An average of \$17 was used in our calculations.  This assumption is based on all underutilized space and does not included a 10% reserve for growth, changing needs, contingencies, etc.	The sale of raw land has a range of \$8-10. An average of \$9 was used in our calculation.  This assumption is based on all underutilized space and does not included a 10% reserve for growth, changing needs, contingencies, etc.
Pacific	Debora Ow; Karen Davis; Thomas Marsh	Estimated per square foot rental value of underutilized space is \$2.11 per month, annualized at \$25.32, based on Kent Mitchell study.	Estimated per square foot sale value for underutilized space is \$805 for main campus (classrooms & administrative), and \$328 for housing.
Philadelphia	John Heidgerd	Rental value rates per square foot are \$18 for office space, \$10 for housing, and \$40 for classrooms.	Sale values per square foot are \$185 for housing, \$300 for office, and \$400 for classrooms.
Southern	Robyn Marren	Square foot monthly rental is \$.80, annualized at \$9.60, is used in our calculation.	Square foot sales value is \$92.



Seminary	Contact/Source	Assumptions - Rental Income	Assumptions - Sale Revenue
Trinity	Ron Benedick	<p>The estimated square foot rental value for housing is \$12.50-20. However, because housing space is integrated with seminary housing and substantial rental to non-seminary students would impact a tax abatement with the city, \$12.50 is used as a conservative estimate in our calculation.</p> <p>Classroom space and other administrative space have no rental value.</p>	<p>Based on "Land for Sale" websites and other offers they have had for property, the sale value of land ranges from \$16 to \$40. An average of \$28 was used in our calculation.</p>
Wartburg	Andy Willenborg	<p>Underutilized dorms/apartments/housing is approximately 15 units, for an average of \$600 per month, \$108,000 per year. Underutilized other space in the basement is \$1,500 per month, \$18,000 per year.</p>	<p>There is currently no underutilized space that could be sold off separately.</p>

## Appendix G: Summary of Physical Asset Impact Scenarios

	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
<b>Assumption about unused space</b>	Based on space utilization information provided by the free standing seminaries, during core hours. These six seminaries have an estimated 23% of unused space. These calculations represent full utilization through rental or sale of unused physical assets.	Based on space utilization information provided by the free standing seminaries, during core hours. These six seminaries have an estimated 23% of unused space. These calculations represent the rental or sale of 75% of unused physical assets.	Based on space utilization information provided by all the seminaries, during core hours. The seminaries have an estimated 22% of unused space. These calculations represent the rental or sale of 50% of unused physical assets.	Based on space utilization information provided by all the seminaries, during core hours. The seminaries have an estimated 22% of unused space. This excess capacity could be redeployed for any number of joint ventures.	Based on space utilization information provided by all the seminaries, during core hours. The seminaries have an estimated 22% of unused space. These calculations represent full utilization through rental or sale of unused physical assets.
<b>Total Potential Rental Income</b>	\$4,056,631	\$3,042,473	\$2,327,093	<i>Dependent upon joint venture</i>	\$4,654,186
<b>Total Potential Sale of Asset Revenue</b>	\$25,393,725	\$19,045,294	\$16,858,042	N/A	\$33,716,085

## Appendix H: Faculty Compensation Data

### Teaching Faculty Average Compensation, 2014/15, by Rank, ELCA Seminaries (excludes Presidents and Deans)

Rank	FTE Count	Average Salary	Average Housing Value	Average Added Benefits	Average Pension Payments	Average Total Compensation
Assistant	9	\$56,850		\$11,594	\$6,097	\$ 73,252
Associate	35	\$63,729	\$8,520	\$11,754	\$6,687	\$82,715
Professor	48	\$68,561	\$14,036	\$13,492	\$9,351	\$ 94,144
<i>Note: PLTS did not report compensation data.</i>						

### Teaching Faculty Compensation Direct Cost, 2014/15, ELCA Seminaries

Rank	FTE Count	Salary total	Housing total	Added Benefit total	Pension Total	Total Compensation
Assistant	9	\$511,647	\$ -	\$92,749	\$54,872	\$659,268
Associate	35	\$2,230,500	\$42,600	\$387,883	\$234,058	\$2,895,041
Professor	48	\$3,290,928	\$154,400	\$634,129	\$439,475	\$4,518,932
<b>Total</b>	<b>92<sup>33</sup></b>					<b>\$8,073,241</b>
<b>Average per faculty member:</b>						<b>\$87,753</b>

<sup>33</sup> Source: ATS Data. The 92 faculty FTE excludes administrative positions that are given faculty status, as those positions (e.g., President, Library Director, Dean) would have inaccurately skewed the compensation average. The 120 FTE used in Appendix H is reflective of the current faculty FTE in the eight seminaries and includes those administrative positions that teach (e.g., if a 1 FTE seminary President spends 25% of his/her time teaching, we included .25 FTE in the faculty FTE count).

## Appendix I: Faculty Asset Impact Scenarios

Assumptions	A. Central System	B. Limited Central System	C. Regional System	D. Formal Network - Joint Ventures	E. The Current Model
Current Total Faculty FTE	120	120	120	120	120
Potential Reduction/Reallocation in FTE Faculty	50	22	17	4	N/A
Average Compensation per Faculty Member <sup>34</sup>	\$87,753	\$87,753	\$87,753	\$87,753	\$87,753
Total Estimated Savings	\$4,387,631	\$1,930,558	\$1,491,795	\$351,010	N/A

<sup>34</sup> This calculation is based on ATS data on faculty compensation

## Appendix J: Donor Impact Scenarios

Estimated Increase (Decrease) in Annual Giving in Five Years Under Different Models				
Assumptions	A. Central System	B. Limited Central System	C. Regional Systems	
Alumni/ae	(50%)	(15%)	(15%)	
Other Individuals, Foundations, Corporations, and Other	20%	15%	5%	
Religious Organizations	0%	0%	12%	
Projections	A. Central System	B. Limited Central System	C. Regional Systems	Baseline - Average Gifts 2011-2013
Alumni/ae	\$(1,900,937)	\$ (570,281)	\$ (570,281.10)	\$3,801,874
Other Individuals, Foundations, Corporations, and Other	\$4,882,557	\$3,661,918	\$1,220,639.18	\$24,412,784
Religious Organizations	\$ -	\$ -	\$1,354,999.20	\$11,291,660
<b>Net Increase (Decrease)</b>	<b>\$2,981,620</b>	<b>\$3,091,636</b>	<b>\$2,005,357</b>	<b>\$39,506,318</b>

**Discussion:**

*Alumni/ae are assumed to dislike merger and possible relocation (A, B, or C). This assumption can be challenged as too pessimistic.*

*Individual-related giving is assumed to rise under each scenario because of greater concentration of fundraising efforts, more efficiency in education, and broader service to the Church.*

*Churchwide giving is assumed to continue to be flat for A, B, and C. Regional systems C assumes greater support from synods.*

# Appendix K: Theological Education Advisory Council

## TEAC Members

Jacqueline Bussie Associate Professor and Director, Forum Faith and Life, Concordia College
Kristen Capel Lead Pastor, Easter Lutheran Church
Randall Foster Healthcare Executive, Retired
Andrea Green Assistant Professor of Religious Studies, Georgia Gwinnett College
James Hazelwood Bishop, New England Synod
William "Bill" B. Horne II City Manager, City of Clearwater, Florida
Maren Hulden Skadden Fellow/Staff Attorney, Mid-Minnesota Legal Aid/Minnesota Disability Law Center
Leila Ortiz PhD Candidate (A.B.D.), Lutheran Theological Seminary at Philadelphia Coordinator of the Latino/a Lay School of the ELCA
Paul Pribbenow President, Augsburg College
Sarah Rohde Associate Pastor, Bethlehem Lutheran Church
Robin Steinke, Co-Chair President, Luther Seminary
Sr. Noreen Stevens Assistant to Bishop, St. Paul Area Synod
Nancy Winder Assistant to the Bishop for Candidacy, NW Washington Synod
Herman Yoos, Co-Chair Bishop, South Carolina Synod

## Churchwide Organization Staff

Stephen Bouman, Advisor Executive Director, Congregational and Synodical Mission
Wyvetta Bullock, Advisor Assistant to the Presiding Bishop/Executive for Administration, Office of the Presiding Bishop
Liz Eaton, Advisor Presiding Bishop, Office of the Presiding Bishop
Sonia Hayden, Support Executive Administrative Assistant, Office of the Presiding Bishop
Kenn Inskeep, Staff Executive for Research and Evaluation, Office of the Presiding Bishop
Jonathan Strandjord, Staff Program Director, Seminaries, Congregational and Synodical Mission

**TEAC Members**

Gordon Straw, Advisor  
Program Director, Lay Schools, Congregational and Synodical Mission

Greg Villalon, Advisor  
Director, Leadership for Mission/Candidacy, Congregational and Synodical Mission

# Appendix L: ELCA Theological Assessment Steering Committee

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## TEAC Steering Committee Members

Clay Schmit  
Provost, School of Theology, Lenoir-Rhyne University

Craig Koester  
Academic Dean, Luther Seminary

Jim Lakso  
Board Member, Gettysburg Seminary

Jonathan Strandjord, Staff  
Program Director, Seminaries, Congregational and Synodical Mission

Mark Van Scharrel  
Vice President, Advancement, Lutheran School of Theology at Chicago

Marty Stevens  
Associate Professor, Gettysburg Seminary

Michael Morrow  
Vice President of Finance and Administration, Luther Seminary

Stan Olson, Chair  
Former President, Wartburg Theological Seminary



## **Letter from Theological Education Advisory Council (TEAC) Working Group**

Dear Members of the ELCA Church Council,

Grace and peace to you in the name of the Risen Christ!

Responding to Church Council action taken at its November 2015 Church Council meeting, Vice-President Carlos Peña formed a working group to receive feedback from around the ELCA to the [report and recommendations of the Theological Education Advisory Council](#). This working group was charged with inviting and considering this feedback and with crafting specific strategies for implementing the recommendations in the TEAC Report.

The working group included Bishop Elizabeth Eaton, Robin Steinke (co-chair of TEAC), Herman Yoos (co-chair of TEAC), Paul Pribbenow (TEAC member), Randall Foster (TEAC member), Maren Hulden (TEAC and Church Council member), Stephen Herr (Church Council member), Wyvetta Bullock (Churchwide Staff), and Jonathan Strandjord (Churchwide Staff). Kenn Inskeep and Adam DeHoek from Research and Evaluation provided invaluable assistance in developing and evaluating the surveys used by the group. Work commenced in December 2015 with a first conference call meeting on December 18, 2015. Subsequently, the committee met on January 13, February 11, March 1, March 22, and March 28, 2016. In addition, subgroups assigned to certain tasks met to facilitate their work.

The working group identified seven tasks to receive feedback from around this church with the goal of receiving it by the end of February. The results of the feedback from leaders and constituencies prepared the way for drafting of specific implementing strategies related to TEAC's recommendations. Bishop Yoos engaged the Conference of Bishops inviting their input on TEAC Recommendation 1D (Continuing Education). Paul, Robin and Jonathan attended the Western Mission Network Consultation in January and Covenant Cluster Network Consultation in March where they engaged network partners from seminaries, colleges, synod lay schools, outdoor ministries and youth and young adult ministries. They invited them to consider what they see as most important in TEAC's Report and Recommendations and asked them to consider what actions they themselves could take to implement TEAC's recommendations. In particular, they received from these network partners feedback relating to TEAC Recommendation 1A (Advisory Committee), TEAC Recommendation 1D (asset mapping), and explored their thoughts on how the various components might be more thoroughly "church together" in the work pointed to in TEAC Recommendations 2A, 2B, 2C and 2D and 3B.

The working group invited the presidents of ELCA colleges and universities gathered at the Lutheran Educational Conference of North America meeting to share their views concerning what roles they believe their schools can and should commit to playing in the theological education network envisioned by TEAC. Participants in the Youth Extravaganza provided input concerning what roles they are already performing in the efforts called for in TEAC Recommendation 2A (vocational discernment) and how this work can be advanced. Outdoor Ministry and Campus Ministry leaders (both adults and youth/young adults) as well as the Youth Ministry Network were invited to respond. Bishop Eaton sought the wisdom from leaders of large membership congregations, especially concerning TEAC Recommendations 1B, 2A, 2B, 2C and 2D. The responses from these groups are found in the document titled, [TEAC Feedback](#).

Synod vice-presidents were surveyed concerning TEAC Recommendation 1B (staffing and resourcing), TEAC Recommendations 2A (discernment) and 2C (lay training). In addition, Research and Evaluation conducted a survey of rostered leaders in order to measure their support of the full set of TEAC recommendations and to invite their comments. All 17,000 plus rostered leaders with known email addresses received this survey with the aim both to gather input from these leaders and to foster their participation in strengthening this church's work in theological education. Summaries of both of these surveys can be found in the document titled, [TEAC Surveys](#).

In addition, the working group discussed with Vicki Garber and Clarence Smith, Budget and Finance chair and vice chair respectively, and Treasurer Linda Norman about potential implications of TEAC on the next triennial budget. Linda provided a helpful analysis of how the current budget supports TEAC priority areas as well as background information on the current seminary funding formulas. The background on that discussion can be found in the [Budget and Finance committee materials](#).

Finally, the working group very recently received a significant new report from Research and Evaluation on the results of a long-term investigation of issues related to the [Supply of and Demand for Clergy](#) serving in ELCA congregations. This is the most comprehensive and rigorous analysis of this to date. While its findings (that we do have a shortage of congregational pastors--and it's growing) are troubling, this report is very helpful in providing a clear picture not only of the present situation but also what we can expect in the next several years. It should both spark and resource important conversations across the ELCA on discernment as well as for the identification, preparation and support of leaders.

The working group was particularly impressed by several things as it reviewed all of this input. First of all, with few exceptions, leaders across the ELCA believe that the questions TEAC was tasked with exploring are very important. They are glad that close attention is being paid to the ELCA's work in theological education and they appreciate being invited into the conversation. Second, there is very broad appreciation for the four-page theological framework that opens the [TEAC Report and Recommendations](#) presented to the Church Council last November. It struck a chord with many who reported that they "heard a call" in it. Third, while none of TEAC's recommendations found support from every person who responded to an invitation to give input to the working group, all of the recommendations had many more supporters than opponents. As measured in the "Frequencies Report" for the rostered leaders survey, four of them—TEAC Recommendations 1C, 2C, 2D, and 3C—had very high levels of support and no recommendation had less than 72 percent of respondents indicating they support it.

The working group did hear from some who think that what is urgently needed is a complete focus on improving the efficiency of theological education by reducing expenditures. At the same time, the group heard from others who took the opposite view, believing that looking for efficiencies is a distraction from the task of expanding the reach of theological education. But the most common view expressed has been that we need both to steward our resources carefully and to expand the reach of our work in theological education. Similarly, most who want the partners in our theological education network to work together more closely also want to avoid a standardization that squeezes out variety and gets in the way of new experiments.

The [implementing strategies](#) recommended by the TEAC working group are the group's attempt to identify a set of initial concrete steps that can move the ELCA's theological education network toward being both more far-reaching and more sustainable, both more connected and more flexible. The working group recognizes that it is unlikely that all of these strategies will prove productive and that further

strategies will emerge along the way. As the working group, we commend these implementing strategies to the Church Council as measures with good potential to strengthen and renew the ELCA in its calling to the ministry of theological education.

Soli Deo Gloria,

Theological Education Advisory Council Working Group

Motions from Theological Education Advisory Committee

*November 10, 2016*

“Whereas, the primary charge of the Theological Education Advisory Committee (“Advisory Committee”) is to prioritize and oversee the implementation of Church Council recommendations around sustaining a robust network of theological education, and ensuring collaboration in developing leaders positioned to carry out the mission of the ELCA;

Therefore be it resolved that the Church Council authorizes the Theological Education Advisory Committee to require those proposing theological education initiatives to complete a designated assessment tool that defines the initiative and its impact. The assessment results will be used to prioritize financial and other resources.”

“Whereas TEAC Recommendation 3D requests the Advisory Committee “to bring to the fall 2016 meeting of the Church Council...proposed revision of the ELCA churchwide funding formula for seminaries which would be effective at the beginning of the 2017-2018 academic year designating a portion (10-15 percent) of the total grant to be directed to promote and facilitate measures undertaken by the seminaries to move toward a common theological enterprise that enables operational efficiencies and innovation that free up resources needed for expanded work and new experiments: and

“Whereas ELCA seminaries are assessing and adjusting their fiscal situations and seeking to collaborate on joint initiatives that would create a more sustainable overall system,

Therefore be it resolved that the Church Council encourage synods and direct the churchwide organization to maintain financial support for seminaries for 2017 without a percentage reduction for special incentives.”

**Governance and Administration- Proposed Bylaws for United Lutheran Seminary**  
**September 28, 2016**

**BYLAWS of LUTHERAN THEOLOGICAL SEMINARY AT GETTYSBURG**

CHAPTER 1 - NAME, SEAL, AND LOCATION	2
CHAPTER 2 - CONFESSIONAL BASIS	2
CHAPTER 3 - PURPOSE	2
CHAPTER 4 - THE BOARD OF TRUSTEES	3
CHAPTER 5 - OFFICERS	5
CHAPTER 6 – COMMITTEES	6
CHAPTER 7 - THE PRESIDENT	7
CHAPTER 8 - THE FACULTY	7
CHAPTER 9- INCLUSIVENESS AND NON-DISCRIMINATION	8
CHAPTER 10 - CONFLICT OF INTEREST	8
CHAPTER 11 - INDEMNIFICATION	9
CHAPTER 12 - AMENDMENTS	9
CHAPTER 13- DISSOLUTION CLAUSE	9

## **Chapter 1 - Name, Seal, and Location**

**1.01 Name:** The name of this corporation shall be Lutheran Theological Seminary at Gettysburg.

**1.02 Seal:** The official seal of this corporation, an insigne, will be determined by action of the Board of Trustees, and maintained by the President's Office.

**1.03 Offices:** The principal office of this corporation shall be located in Gettysburg, Pennsylvania. Offices may be maintained in such other locations as the Board of Trustees shall determine.

## **Chapter 2 - Confessional Basis**

**2.01 Confession:** This Seminary stands upon the Confession of Faith set forth in the Constitution of the Evangelical Lutheran Church in America (ELCA). It therefore confesses:

- The triune God, Father, Son, and Holy Spirit;
- Jesus Christ as the eternal Word of God;
- The proclamation of God's message as law and Gospel as God's living Word to us;
- The canonical Scriptures of the Old and New Testaments as God's written Word and norm for faith and life;
- The Apostles', Nicene, and Athanasian Creeds: and
- The Unaltered Augsburg Confession and the other confessional writings in the Book of Concord, as true witnesses to the Gospel that is the power of God to create and sustain the Church for God's mission in the world.

## **Chapter 3 - Purpose**

**3.01. Purpose:** The purpose of this Seminary is and shall be to educate and train faithful, capable and creative persons for public leadership in Christ's Church to enable the Church to fulfill its mission, including preparing persons for the ministry of Word and sacrament, Word and service and other forms of ministry in the ELCA and other Christian traditions. Our mission includes educating and training women and men to exercise leadership in the Church and world, offering lifelong learning opportunities, and equipping the whole people of God to live their faith in their various and many Christian callings in the world. The mission also includes offering broad public educational and inspirational events and offerings, through courses, concerts, and education displays offered through the Seminary Ridge Museum, archives, and other events on our campuses in Philadelphia and Gettysburg.

## Chapter 4 - The Board of Trustees

**4.01. Composition; Election; Terms:** The Board of Trustees, which shall function as a board of directors, shall consist of not less than fourteen (14) and not more than twenty-five (25) Trustees. At least one-fifth (20%) of the Trustees shall be nominated, in consultation with the Seminary, by the appropriate unit of the churchwide organization of the ELCA, and shall be elected by the Church Council of the ELCA. Two (2) Trustees shall be elected by the synodical bishops of Regions 7 and 8 from among their own number. The remainder of the Trustees shall be elected by the Synod Councils of synods comprising Regions 7 and 8 of the Evangelical Lutheran Church in America, in consultation with the Seminary. Distribution of Trustees among the synods shall be determined from time to time by the Board in consultation with the Synodical Bishops. The President of the Seminary will serve with the Board as an *ex officio* non-voting participant.

Except for initial terms which may be one (1), two (2), or three (3) years, the term of each Trustee shall be three (3) years. A Trustee may serve no more than three (3) consecutive full three-year terms, but shall again be eligible for election after having been off the Board for at least one full term. Trustee terms shall end on June 30. Trustee terms shall begin on July 1 with the exception of the term of any Trustee elected to fill an unexpired term vacancy; this term shall commence upon election.

In order to follow the guidelines set forth in the governing documents of the Evangelical Lutheran Church in America, the Board of Trustees, acting through its Trustees Committee, shall designate categories to which Trustees shall be elected and shall assign categories to the synods and to the Church Council prior to any election, with the categories and criteria set forth in the Trustee Handbook. The Board of Trustees also shall establish such other rules and procedures as may be necessary to implement the provisions of this Bylaw (4.01) and any rules or guidelines provided by the Evangelical Lutheran Church in America.

**4.02. Powers:** The business and affairs of the Seminary shall be managed under the direction of the Board. The powers of the Seminary shall be exercised by, or under the authority of, the Board except as otherwise provided by statute, the Articles of Incorporation, these Bylaws, or a resolution adopted by the Board. Without limiting the foregoing, the Board shall provide for the governance of the Seminary in the following ways:

- a. By electing the President, evaluating his/her performance and, if necessary, removing the President from office in accordance with procedures adopted by the Board.
- b. By appointing, upon recommendation of the President and the appropriate Standing Committee, persons to the Faculty, approving educational programs and major curricular modifications, ensuring that the academic standards of the Seminary and the continuing accreditation by the appropriate accrediting agencies are maintained, and seeking to provide and protect an atmosphere of free academic inquiry.
- c. By granting to qualified students, upon recommendation of the Faculty, such degrees as shall be authorized by the Commonwealth of Pennsylvania.
- d. By taking responsibility for the Seminary's financial welfare through providing for the acquisition and expenditure of necessary capital and operating funds, supervising the

Seminary's investments and financial affairs, exercising oversight of the Seminary's physical assets, and representing the needs of the Seminary to the supporting synods.

- e. By approving general policies essential to the Seminary's operation – including approval of the Faculty Handbook, Trustees Handbook, Employee Policies and Procedures Handbook, and Student Handbook – and encouraging opportunity for Faculty, Staff, and Students voice in matters affecting their welfare.

#### **4.03. Meetings:**

- a. Annual and Special Meetings. The Board shall meet three times each year, including one meeting on a date in the last quarter of the calendar year and one on a date not more than sixty days preceding the annual Seminary commencement. Meeting dates shall be designated by the Executive Committee in advance of each fiscal year. Special meetings of the Board shall be called by the Executive Committee, or upon the request of five Trustees.  
The fall meeting shall be the annual meeting, and all officers, except the President, shall at that time be elected for a term of two years. In the context of the annual meeting, an annual assembly of the bishop and vice-president or other synod council representative of all 15 supporting synods and a representative of the appropriate churchwide unit ~~will~~ shall be invited to meet with the trustees for mutual community-building and long-range planning. The board will continue to meet after this assembly.
- b. Notice. Notice of all meetings shall be communicated to all Trustees no less than ten (10) days prior to the appointed meeting date. Such communication shall be by regular first class mail, electronic mail, personal delivery and/or such other means where confirmation of receipt is possible.
- c. Quorum. A majority of the Trustees then in office shall constitute a quorum.
- d. Procedure. Robert's Rules of Order, latest edition, shall establish the procedural rules for all meetings of this Board and its Committees, except where other procedures are explicitly specified by these Bylaws or the Constitution and Bylaws of the Evangelical Lutheran Church in America. The President shall at each regular meeting report to the Board any pertinent action taken by the Faculty, Staff, or Students, and shall, in turn, following each meeting of the Board, present to the Faculty, Staff, and Students a report of the pertinent actions of the Board. Telephonic participation in board and committee meetings is authorized and unanimous written consent including by email communication is an authorized form of voting.
- e. Attendance of Advisory Members and Guests. The Board may invite such advisory members and guests as it determines are appropriate to attend meetings of the Board, including executive sessions.

#### **4.04. Vacancies; Resignations; Removals:**

- a. Vacancies. The entity which elected a Trustee who resigns, dies or is removed shall fill the vacant position for the remainder of the term as expeditiously as possible. Such service in an unexpired term will not be counted as a full term for the purpose of the three-term limit.



- b. Removal. Any Trustee may be removed from office for cause at any meeting of the Board by a majority vote of Trustees then in office. Additionally, any Trustee may be removed from office by the group appointing or electing the Trustee to office, with or without assigning any cause. If a Trustee is removed, the resulting vacancy shall be filled by the entity which elected the person who was removed.
- c. Resignation. Any Trustee may resign at any time by giving written notice to the Secretary and Chairperson of the Seminary. The resignation shall be effective upon receipt or at such subsequent time as may be specified in the notice of resignation.

## **Chapter 5 - Officers**

**5.01. Number:** In addition to the President, the officers of the Seminary shall be a Chairperson, a Vice Chairperson, a Secretary, and a Treasurer. Except for the President, the officers shall serve for a term of two years. Officers not employed by the seminary shall serve no more than three terms. The Chairperson and Vice Chairperson shall be selected from among the elected Trustees. The Secretary and Treasurer need not be Trustees. In the event that either of the persons elected to serve as Secretary or Treasurer is not a Trustee, he/she shall be given the privilege of attending all meetings except executive sessions of the Board, with voice but without vote. There also may be an Assistant Secretary, an Assistant Treasurer, and such other officers, including vice-presidents, as the Board from time to time shall determine; and the foregoing provisions regarding the Secretary and the Treasurer also shall apply with respect to any such officer.

**5.02. Chairperson:** The Chairperson shall preside at all meetings of the Board and its Executive Committee, and shall have the authority to execute documents on behalf of the Seminary. The Chairperson, in consultation with the President, shall appoint the chairpersons of all Committees of the Board. Committee chairpersons shall be appointed to serve until the next annual meeting of the Board of Trustees, and may be reappointed, except that no one may serve as the chairperson of the same committee for a period longer than six consecutive years.

**5.03. Vice Chairperson:** The Vice chairperson shall have authority to act in place of the Chairperson, in the event of the death, resignation, disability, or unavailability of the Chairperson.

**5.04. President:** The President shall be the chief executive officer of the Seminary and shall have general supervision over the business and operations of the Seminary, subject to the control of the Board. The President shall execute in the name of the Corporation, deeds, mortgages, bonds, contracts and other instruments authorized by the Board, except in cases where the execution thereof shall be expressly delegated by the Board to some other officer or agent of the Seminary. In general, the President shall perform all duties incident to the office of President, including those more particularly outlined in Chapter 7 of these Bylaws, and such other duties as may be assigned by the Board.

**5.05. Secretary:** The Secretary shall keep a faithful record of the proceedings of the Board, the

Executive Committee, and all other Board committees, and shall furnish a copy of the minutes of each Board and Executive Committee meeting to each Trustee and to those designated by the Board to receive copies of the minutes. The Secretary shall be the custodian of the Seal of the Seminary.

**5.06. Treasurer:** The Treasurer shall be responsible to the President and the Board for all monies, securities, deeds, and mortgages which are assets of the Seminary and which are to be maintained as such, either in perpetuity or for a period extending beyond the normal fiscal year of the Seminary. The Treasurer shall order the deposits and investments of the Seminary. The Treasurer shall make a report on the condition of the assets of the Seminary at each regular meeting of the Board, and his/her annual report shall be properly audited and the securities in his/her possession examined in such manner as the Board or the Executive Committee may from time to time require. He/she shall give security for the faithful performance of his/her duties as the Board may determine.

## **Chapter 6 – Committees**

**6.01. Executive Committee:** There shall be an Executive Committee which shall consist of the officers together with the chairpersons of all Standing Committees, plus one of the Trustee Bishops (who shall be designated by the Trustees Committee to serve on the Executive Committee for such term as the Trustees Committee shall determine). An officer who is not a Trustee shall have voice but no vote at Executive Committee meetings. Subject to the limitations of section 6.06 hereof, the Executive Committee shall have full power and authority to act on behalf of the Board between meetings of the Board, except that the Committee shall not have the power to revoke or rescind any prior action of the Board. The Executive Committee shall meet whenever necessary to carry on effectively its responsibilities. The Executive Committee may receive reports at its meetings from other Committees and may act upon any recommendations of such Committees. The minutes of Executive Committee meetings shall be distributed to Trustees. Actions of the Executive Committee shall be subject to review by the Board.

**6.02. Standing Committees:** There shall be a Standing Committee on Trustees and such other Committees as the Board may from time to time determine and describe in the Trustees Handbook.

**6.03. Ex Officio Members:** The Board Chairperson and President shall be *ex officio* members of all Committees of the Board.

**6.04. Membership:** Each Board Committee, other than the Executive Committee, shall consist of at least three Trustees and also may include qualified non-Trustee members. Trustee members and the chairperson (who shall be a Trustee) of each Board Committee except the Executive Committee shall be appointed by the Board Chairperson in consultation with the President. The non-Trustee members of a Committee, if any, shall be appointed by the Board Chairperson in consultation with the President and the chairperson of the Committee. The number of such members shall be determined by the Board Chairperson, the President, and the Committee Chairperson, and where appropriate may include a member or members of the Faculty, the Staff, the Student Body, and the Alumni/ae Association. Committee appointments shall be announced to the Board of Trustees for its review and comment; but the tenure of each Committee member shall commence immediately upon appointment.

**6.05. Quorum:** A quorum for each Committee shall be a majority of its members, exclusive of the Board Chairperson and the President.

**6.06. Limitation on Committees:** No committee, including the Executive Committee, shall have any power or authority as to the following:

- a. The filling of vacancies on the Board;
- b. The adoption, amendment or repeal of the Bylaws;
- c. The amendment or repeal of any resolution of the Board; or
- d. Action on matters committed by the Bylaws or by resolution of the Board to another committee of the Board.

## **Chapter 7 - The President**

**7.01. Election; Chairperson of Faculty:** The Board, after consultation with the Faculty, the Presiding Bishop of the ELCA, and the appropriate unit of the Churchwide organization, shall elect a President. In addition to the duties noted in Section 5 with respect to the office of the President as the chief executive officer of the Seminary, the President shall be Chairperson of the Faculty.

**7.02. Duties:** It shall be the duty of the President to administer the policies established by the Board, to exercise general supervision over the academic, fiscal, and other affairs of the Seminary, to preside at all meetings of the Faculty, to secure the enforcement of such rules as the Board or the Faculty may adopt for the governance of the Seminary, to have general oversight of the internal management of the institution, and to represent the Seminary in its relations with the institutions of learning and with other interests beneficial to the life and growth of the Seminary. As he/she determines is appropriate and the Board agrees, a portion of these duties may be delegated by the President to appropriate academic or administrative officers. The President shall not be required to teach but may do so when in the judgment of the Faculty and the President it is in the best interest of the Seminary so to do.

**7.03. Committees:** The President shall be an *ex officio* member (with voice and vote) of each committee of the Faculty except when the President shall designate an appropriate academic or administrative officer in his or her place. Such designee shall have voice without vote.

**7.04. Other Staff:** The President may from time to time appoint such other staff as he/she may deem necessary for the administration of the Seminary, and shall fix their duties.

**7.05. Evaluation:** The performance of the President shall be evaluated on an ongoing and regular basis, with a complete compensation review and formal written evaluation conducted after the first year in office, then after every third year in office in accordance with a procedure adopted by the Board.

## **Chapter 8 - The Faculty**

**8.01. Composition:** The Faculty of the Seminary shall consist of the President, the Professors, Associate Professors, Assistant Professors, and Instructors. The Faculty shall also include such other persons as the Board may determine.

**8.02. Dean:** The Board may elect a Dean who shall have been nominated by the President in consultation with the Faculty. A member of the Faculty who is elected Dean of this Seminary shall be entitled to retain any chair held.

### **Chapter 9- Inclusiveness and Non-Discrimination**

**9.01. Policy Defined:** It is the policy of (name of the future seminary to be determined) to consider qualified candidates of any age, gender, sexual orientation, gender expression, marital status, color, race, national or ethnic origin, physical challenge or any characteristics protected by law in the administration of its education policies, admissions policies, financial aid decisions and other seminaryadministered programs.

As an equal opportunity employer, the seminary does not discriminate on the basis of the aforementioned categories in matters of employment.

In compliance with Title IX of the Education Amendments of 1972, 20 U.S.C. §§ 1681 et. seq., and federal regulations, 34 C.F.R. Part 106, sexual discrimination of any kind is prohibited by the seminary. This includes sexual harassment, sexual violence, domestic violence, dating violence, sexual assault and stalking.

### **Chapter 10 - Conflict of Interest**

**10.01. Policy Defined:** A Trustee shall be considered to have a conflict of interest if:

- I. such Trustee has existing or potential financial or other interests which impair or might reasonably appear to impair such Trustee's independent, unbiased judgment in the discharge of his or her responsibilities to the Seminary; or
- II. such Trustee is aware that a member of his/her family (which for the purposes of this Chapter shall mean a spouse, parents, siblings, children and any other relative if the relative resides in the same household as the Trustee), or any organization in which such Trustee (or a member of his/her family) is an officer, director, employee, member, partner, trustee or controlling director, has such existing or potential financial or other interest.

**10.02. Disclosure:** Each Trustee shall disclose to the Board of Trustees any possible conflict of interest at the earliest practical time. No Trustee shall vote on any matter, under consideration at a Board or Committee meeting, in which such Trustee has a conflict of interest. The minutes of such meetings shall reflect that a disclosure was made and that the Trustee having a conflict of interest abstained from voting. Any Trustee who is uncertain whether a conflict of interest may exist in any matter may request the Board or Committee to resolve the question by a majority of those voting.

**10.03. Policy:** The Board shall adopt a policy and process for identifying and avoiding potential conflicts of interest between and among the Trustees, officers and non-Trustee members of committees and the business of the Seminary. At the request of the Chairperson, each Trustee, officer and non-Trustee committee member shall submit a written disclosure of any potential conflict of interest.

### **Chapter 11 - Indemnification**

**11.01. Limitation:** To the full extent permitted by law, each person who was or is a party or is threatened to be made a party to any threatened, pending or completed civil, criminal, administrative, arbitration, or investigative proceeding, including a proceeding by or in the right of this Seminary, by reason of the fact that such person is or was a Trustee, officer, employee, agent or member of any Board Committee shall be indemnified against judgments, penalties, fines, settlements, and reasonable expenses, including attorney's fees and costs, incurred by the person in connection with the proceeding. Such indemnification shall continue as to a person who has ceased to be a Trustee, officer, employee, agent or member of a Board Committee and shall apply whether or not the claim against such person arises out of matters occurring before the adoption of this Bylaw. No indemnification may be made by the Seminary under this Chapter, however, to or on behalf of any person to the extent that:

- a. The act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted self-dealing, willful misconduct or recklessness; or
- b. The Board determines that under the circumstances indemnification would constitute an excess benefit transaction under section 4958 of the Internal Revenue Code of 1986, as amended.

**11.02. Insurance:** This Seminary shall purchase and maintain insurance on behalf of a person who is or was a Trustee, officer, employee, agent or member of a Board Committee against any liability asserted against and incurred by the person in or arising from that capacity.

### **Chapter 12 - Amendments**

**12.01. Vote of Trustees; Approval of ELCA Church Council:** Amendments to these Bylaws may be made by a two-thirds vote of the Trustees present at any regular or special meeting of the Board, provided that any such proposed amendments shall have been submitted in writing by the Executive Committee or five Trustees and transmitted in writing by the Secretary to all Trustees at least thirty (30) days previous to the date of such meeting, and the notice for that meeting shall include the announcement of the consideration of an amendment to these Bylaws. Amendments shall be forwarded to the appropriate unit of the Churchwide organization, which shall submit together with the unit's recommendation, to the ELCA Church Council for the Council's approval.

### **Chapter 13- Dissolution Clause**

**13.01:** In the event this corporation is dissolved and liquidated, the Board of Trustees shall, after paying or making provisions for payment of all of the liabilities of this corporation, distribute the corporate property and assets to such organization or organizations as in their judgment have

purposes most closely allied to those of this corporation; provided, however, that the transferee organization or organizations shall then be a qualified tax-exempt charitable organization within the meaning of §501(c)(3) and §170(b)(1)(A) other than in clauses (vii) and (viii) of the Internal Revenue code or their successor provisions, shall have been in existence and so described for a continuous period of at least sixty (60) calendar months, and shall also be an organization contributions to which are deductible under §§ 170, 2055 and 2522 of the Internal Revenue code or successor provisions. Any of the property or assets not so distributed shall be disposed of by the court having jurisdiction of the dissolution and liquidation of a Pennsylvania nonprofit corporation exclusively to such charitable organization or organizations as are then qualified tax-exempt organizations as defined above.